PATENT LAWS

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U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

PATENT LAWS

U. S. DEPARTMENT OF COMMERCE
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PATENT AND TRADEMARK OFFICE
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THE CONSTITUTIONAL PROVISION

ART. 1, SEC. 8. The Congress shall have power . . . To promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries.

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GENERAL NOTE

Section 1 of the Patent Act of July 19, 1952 (Public Law 593, 82d Cong., 2d sess., ch. 950; 66 Stat. 792), enacts Title 35 of the United States Code, which is reprinted herein, with subsequent amendments. The enacting clause of the Act states that the new patent code may be cited, "Title 35, United States Code, section—". A short citation could be 35 U.S.C. —.

UNITED STATES CODE

TITLE 35—PATENTS

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PART I—PATENT AND TRADEMARK OFFICE

CHAPTER 1—ESTABLISHMENT, OFFICERS, FUNCTIONS

SEC.

§ 1. Establishment

The Patent and Trademark Office shall continue as an office in the Department of Commerce, where records, books, drawings, specifications, and other papers and things pertaining to patents and to trade-mark registrations shall be kept and preserved, except as otherwise provided by law. (Amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

§ 2. Seal

The Patent and Trademark Office shall have a seal with which letters patent, certificates of trade-mark registrations, and papers issued from the Office shall be authenticated. (Amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

§ 3. Officers and employees

(a) There shall be in the Patent and Trademark Office a Commissioner of Patents and Trademarks, a Deputy Commissioner, two Assistant Commissioners, and not more than fifteen examiners-in-chief. The Deputy Commissioner, or, in the event of a vacancy in that office, the Assistant Commissioner senior in date of appointment, shall fill the office of Commissioner during a vacancy in that office until the Commissioner is appointed and takes office. The Commissioner of Patents and Trademarks, the Deputy Commissioner, and the Assistant Commissioners shall be appointed by the President, by and with the advice and consent of the Senate. The Secretary of Commerce, upon the nomination of the Commissioner in accordance with law, shall appoint all other officers and employees.

(b) The Secretary of Commerce may vest in himself the functions of the Patent and Trademark Office and its officers and employees specified in this title and may from time to time authorize their performance by any other officer or employee.

(c) The Secretary of Commerce is authorized to fix the per annum rate of basic compensation of each examiner-in-chief in the Patent and Trademark Office at not in excess of the maximum scheduled rate provided for positions in grade 17 of the General Schedule of the Classification Act of 1949, as amended. (Amended September 6, 1958, Public Law 85–933, sec. 1, 72 Stat. 1793; September 23, 1959, Public Law 86–370, sec. 1(a), 73 Stat. 650; August 14, 1964, Public Law 88–426, sec. 305(26), 78 Stat. 425; January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949; and January 2, 1975, Public Law 93–601, sec. 1, 88 Stat. 1956.)

Note.—Section 4(b) of Public Law 93–601 provides that ". . . Examiners-in-Chief in office on the date of enactment [January 2, 1975] shall continue in office under and in accordance with their then existing appointments."

§ 4. Restrictions on officers and employees as to interest in patents

Officers and employees of the Patent and Trademark Office shall be incapable, during the period of their appointments and for one year thereafter, of applying for a patent and of acquiring, directly or indirectly, except by inheritance or bequest, any patent or any right or interest in any patent, issued or to be issued by the Office. In patents applied for thereafter they shall not be entitled to any priority

date earlier than one year after the termination of their appointment. (Amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

Note.—See page 62 *et seq.* for other statutes concerning the conduct of officers and employees.

§ 5. Repealed. (June 6, 1972, Public Law 92–310, Title II, sec. 208(a), 86 Stat. 203.)

§ 6. Duties of Commissioner

(a) The Commissioner, under the direction of the Secretary of Commerce, shall superintend or perform all duties required by law respecting the granting and issuing of patents and the registration of trademarks; shall have the authority to carry on studies and programs regarding domestic and international patent and trademark law; and shall have charge of property belonging to the Patent and Trademark Office. He may, subject to the approval of the Secretary of Commerce, establish regulations, not inconsistent with law, for the conduct of proceedings in the Patent and Trademark Office.

(b) The Commissioner, under the direction of the Secretary of Commerce, may, in coordination with the Department of State, carry on programs and studies cooperatively with foreign patent offices and international intergovernmental organizations, or may authorize such programs and studies to be carried on, in connection with the performance of duties stated in subsection (a) of this section.

(c) The Commissioner, under the direction of the Secretary of Commerce, may, with the concurrence of the Secretary of State, transfer funds appropriated to the Patent and Trademark Office, not to exceed $100,000 in any year, to the Department of State for the purpose of making special payments to international intergovernmental organizations for studies and programs for advancing international cooperation concerning patents, trademarks, and related matters. These special payments may be in addition to any other payments or contributions to the international organization and shall not be subject to any limitations imposed by law on the amounts of such other payments or contributions by the Government of the United States. (Amended October 5, 1971, Public Law 92–132, 85 Stat. 364; January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

(d) The Commissioner, under the direction of the Secretary of Commerce, may, with the concurrence of the Secretary of State, allocate funds appropriated to the Patent Office, to the Department of State for the purpose of payment of the share on the part of the United States to the working capital fund established under the Patent Cooperation Treaty. Contributions to cover the share on the part of the United States of any operating deficits of the International Bureau under the Patent Cooperation Treaty shall be included in the annual budget of the Patent Office and may be transferred by the Commissioner, under the direction of the Secretary of Commerce, to the Department of State for the purpose of making payments thereof to the International Bureau. (Amended October 5, 1971, Public Law 92–132, 85 Stat. 364; January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949; November 14, 1975, Public Law 94–131, sec. 2, 89 Stat. 690.)

Note.—The addition of paragraph (d) of this section, as well as the amendment of other sections, were made pursuant to secs. 2 to 10 of Public Law 94–131, "An Act to carry into effect certain provisions of the Patent Cooperation Treaty." Sec. 1 of Public Law 94-131 also amended this Title by adding Part IV-Patent Cooperation Treaty, §§ 351–376, *infra* pp. 51-59. Public Law 94–131 came into effect on January 24, 1978, the same day as the entry into force of the Patent Cooperation Treaty with respect to the United States (TIAS 8733; 964 O.G. 24). The sections as amended apply to all applications for patent actually filed in the United States on or after this effective date, as well as to international applications where applicable.

§ 7. Board of Appeals

The examiners-in-chief shall be persons of competent legal knowledge and scientific ability, who shall be appointed under the classified civil service. The Commissioner, the deputy commissioner, the assistant commissioners, and the examiners-in-chief shall constitute a Board of Appeals, which on written appeal of the applicant, shall review adverse decisions of examiners upon applications for patents. Each appeal shall be heard by at least three members of the Board of Appeals, the members hearing such appeal to be designated by the Commissioner. The Board of Appeals has sole power to grant rehearings.

Whenever the Commissioner considers it necessary to maintain the work of the Board of Appeals current, he may designate any patent examiner of the primary examiner grade or higher, having the requi-

site ability, to serve as examiner-in-chief for periods not exceeding six months each. An examiner so designated shall be qualified to act as a member of the Board of Appeals. Not more than one such primary examiner shall be a member of the Board of Appeals hearing an appeal. The Secretary of Commerce is authorized to fix the per annum rate of basic compensation of each designated examiner-in-chief in the Patent and Trademark Office at not in excess of the maximum scheduled rate provided for positions in grade 16 of the General Schedule of the Classification Act of 1949, as amended. The per annum rate of basic compensation of each designated examiner-in-chief shall be adjusted, at the close of the period for which he was designated to act as examiner-in-chief, to the per annum rate of basic compensation which he would have been receiving at the close of such period if such designation had not been made. (Amended Sept. 6, 1958, Public Law 85–933, sec. 1, 72 Stat. 1793; Sept. 23, 1959, Public Law 86–370, sec. 1(b), 73 Stat. 650; January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949; and January 2, 1975, Public Law 93–601, sec. 2, 88 Stat. 1956.)

Note.—See note under section 3, page 7, *supra*, for effect of Public Law 93–601 as to examiners-in-chief in office on date of enactment.

§ 8. Library

The Commissioner shall maintain a library of scientific and other works and periodicals, both foreign and domestic, in the Patent and Trademark Office to aid the officers in the discharge of their duties. (Amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

§ 9. Classification of patents

The Commissioner may revise and maintain the classification by subject matter of United States letters patent, and such other patents and printed publications as may be necessary or practicable, for the purpose of determining with readiness and accuracy the novelty of inventions for which applications for patent are filed.

§ 10. Certified copies of records

The Commissioner may furnish certified copies of specifications and drawings of patents issued by the Patent and Trademark Office, and of other records available either to the public or to the person

applying therefore. (Amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

§ 11. Publications

(a) The Commissioner may print, or cause to be printed, the following:

1. Patents, including specifications and drawings, together with copies of the same. The Patent and Trademark Office may print the headings of the drawings for patents for the purpose of photolithography.

2. Certificates of trade-mark registrations, including statements and drawings, together with copies of the same.

3. The Official Gazette of the United States Patent and Trademark Office.

4. Annual indexes of patents and patentees, and of trade-marks and registrants.

5. Annual volumes of decisions in patent and trade-mark cases.

6. Pamphlet copies of the patent laws and rules of practice, laws and rules relating to trade-marks, and circulars or other publications relating to the business of the Office.

(b) The Commissioner may exchange any of the publications specified in items 3, 4, 5, and 6 of subsection (a) of this section for publications desirable for the use of the Patent and Trademark Office. (Amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

§ 12. Exchange of copies of patents with foreign countries

The Commissioner may exchange copies of specifications and drawings of United States patents for those of foreign countries.

§ 13. Copies of patents for public libraries

The Commissioner may supply printed copies of specifications and drawings of patents to public libraries in the United States which shall maintain such copies for the use of the public, at the rate for each year's issue established for this purpose in section 41 (a) 9 of this title.

§ 14. Annual report to Congress

The Commissioner shall report to Congress annually the moneys received and expended, statistics concerning the work of the Office,

and other information relating to the Office as may be useful to the Congress or the public.

Chapter 2—Proceedings In The Patent And Trademark Office

§ 21. Day for taking action falling on Saturday, Sunday, or holiday

When the day, or the last day, for taking any action or paying any fee in the United States Patent and Trademark Office falls on Saturday, Sunday, or a holiday within the District of Columbia, the action may be taken, or the fee paid, on the next succeeding secular or business day. (Amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

Note.—For holidays, see 5 U.S.C. 6103 and District of Columbia Code, sec. 28–2701 and reproduced on pp. 69, 70 *infra.*

§ 22. Printing of papers filed

The Commissioner may require papers filed in the Patent and Trademark Office to be printed or typewritten. (Amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

§ 23. Testimony in Patent and Trademark Office cases

The Commissioner may establish rules for taking affidavits and depositions required in cases in the Patent and Trademark Office. Any officer authorized by law to take depositions to be used in the courts of the United States, or of the State where he resides, may take such affidavits and depositions. (Amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

§ 24. Subpoenas, witnesses

The clerk of any United States court for the district wherein testimony is to be taken for use in any contested case in the Patent and Trademark Office, shall, upon the application of any party thereto, issue a subpoena for any witness residing or being within such dis-

trict, commanding him to appear and testify before an officer in such district authorized to take depositions and affidavits, at the time and place stated in the subpoena. The provisions of the Federal Rules of Civil Procedure relating to the attendance of witnesses and to the production of documents and things shall apply to contested cases in the Patent and Trademark Office.

Every witness subpoenaed and in attendance shall be allowed the fees and traveling expenses allowed to witnesses attending the United States district courts.

A judge of a court whose clerk issued a subpoena may enforce obedience to the process or punish disobedience as in other like cases, on proof that a witness, served with such subpoena, neglected or refused to appear or to testify. No witness shall be deemed guilty of contempt for disobeying such subpoena unless his fees and traveling expenses in going to, and returning from, and one day's attendance at the place of examination, are paid or tendered him at the time of the service of the subpoena; nor for refusing to disclose any secret matter except upon appropriate order of the court which issued the subpoena. (Amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

§ 25. Declaration in lieu of oath

(a) The Commissioner may by rule prescribe that any document to be filed in the Patent and Trademark Office and which is required by any law, rule, or other regulation to be under oath may be subscribed to by a written declaration in such form as the Commissioner may prescribe, such declaration to be in lieu of the oath otherwise required.

(b) Whenever such written declaration is used, the document must warn the declarant that willful false statements and the like are punishable by fine or imprisonment, or both (18 U.S.C. 1001). (New section added March 26, 1964, Public Law 88–292, sec. 1, 78 Stat. 171; amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

Note.—18 U.S.C. 1001 provides: "Whoever in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry,

shall be fined not more than $10,000 or imprisoned not more than five years, or both." (June 25, 1948, 62 Stat. 749)

§ 26. Effect of defective execution

Any document to be filed in the Patent and Trademark Office and which is required by any law, rule, or other regulation to be executed in a specified manner may be provisionally accepted by the Commissioner despite a defective execution, provided a properly executed document is submitted within such time as may be prescribed. (New section added March 26, 1964, Public Law 88–292, sec. 1, 78 Stat. 171; amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

Chapter 3—Practice Before Patent And Trademark Office

§ 31. Regulations for agents and attorneys

The Commissioner, subject to the approval of the Secretary of Commerce, may prescribe regulations governing the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties before the Patent and Trademark Office, and may require them, before being recognized as representatives of applicants or other persons, to show that they are of good moral character and reputation and are possessed of the necessary qualifications to render to applicants or other persons, valuable service, advice, and assistance in the presentation or prosecution of their applications or other business before the Office. (Amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

§ 32. Suspension or exclusion from practice

The Commissioner may, after notice and opportunity for a hearing, suspend or exclude, either generally or in any particular case, from further practice before the Patent and Trademark Office, any person, agent, or attorney shown to be incompetent or disreputable, or guilty of gross misconduct, or who does not comply with the regulations established under section 31 of this title, or who shall, by word, circular, letter, or advertising, with intent to defraud in any manner, deceive, mislead, or threaten any applicant or prospective

applicant, or other person having immediate or prospective business before the Office. The reasons for any such suspension or exclusion shall be duly recorded. The United States District Court for the District of Columbia, under such conditions and upon such proceedings as it by its rules determines, may review the action of the Commissioner upon the petition of the person so refused recognition or so suspended or excluded. (Amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

§ 33. Unauthorized representation as practitioner

Whoever, not being recognized to practice before the Patent and Trademark Office, holds himself out or permits himself to be held out as so recognized, or as being qualified to prepare or prosecute applications for patent, shall be fined not more than $1,000 for each offense. (Amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

Note.—For other federal statutes applicable to the conduct of persons practicing before the Office, see pp. 60, 61, *infra*.

Chapter 4—Patent Fees

§ 41. Patent fees

(a) The Commissioner shall charge the following fees:

1. On filing each application for an original patent, except in design cases, $65; in addition on filing or on presentation at any other time, $10 for each claim in independent form which is in excess of one, and $2, for each claim (whether independent or dependent) which is in excess of ten. For the purpose of computing fees, a multiple dependent claim as referred to in section 112 of this title or any claim depending therefrom shall be considered as separate dependent claims in accordance with the number of claims to which reference is made. Errors in payment of the additional fees may be rectified in accordance with regulations of the Commissioner.

2. For issuing each original or reissue patent, except in design cases, $100; in addition, $10 for each page (or portion thereof) of specification as printed, and $2 for each sheet of drawing.

3. In design cases:

a. On filing each design application, $20.

b. On issuing each design patent: For three years and six months, $10; for seven years, $20; and for fourteen years, $30.

4. On filing each application for the reissue of a patent, $65; in addition, on filing or on presentation at any other time, $10 for each claim in independent form which is in excess of the number of independent claims of the original patent, and $2 for each claim (whether independent or dependent) which is in excess of ten and also in excess of the number of claims of the original patent. Errors in payment of the additional fees may be rectified in accordance with regulations of the Commissioner.

5. On filing each disclaimer, $15.

6. On appeal for the first time from the examiner to the Board of Appeals, $50; in addition, on filing a brief in support of the appeal, $50.

7. On filing each petition for the revival of an abandoned application for a patent or for the delayed payment of the fee for issuing each patent, $15.

8. For certificate under section 255 or under section 256 of this title, $15.

9. As available and if in print: For uncertified printed copies of specifications and drawings of patents (except design patents), 50 cents per copy; for design patents, 20 cents per copy; the Commissioner may establish a charge not to exceed $1 per copy for patents in excess of twenty-five pages of drawings and specifications and for plant patents printed in color; special rates for libraries specified in section 13 of this title, $50 for patents issued in one year. The Commissioner may, without charge, provide applicants with copies of specifications and drawings of patents when referred to in a notice under section 132.

10. For recording every assignment, agreement, or other paper relating to the property in a patent or application, $20; where the document relates to more than one patent or application, $3 for each additional item.

11. For each certificate, $1.

(b) The Commissioner may establish charges for copies of records, publications, or services furnished by the Patent and Trademark Office, not specified above.

(c) The fees prescribed by or under this section shall apply to

any other Government department or agency, or officer thereof, except that the Commissioner may waive the payment of any fee for services or materials in cases of occasional or incidental requests by a Government department or agency, or officer thereof. (Amended July 24, 1965, Public Law 89-83, secs. 1 and 2, 79 Stat. 259; January 2, 1975, Public Law 93-596, sec. 1, 88 Stat. 1949; November 14, 1975, Public Law 94-131, sec. 3, 89 Stat. 690.)

Note.—See the note under §6 for the effective date of the amendment under Public Law 94-131 by which the second sentence of paragraph (a)1 was added.

§ 42. Payment of patent fees; return of excess amounts

All patent fees shall be paid to the Commissioner who, except as provided in sections 361(b) and 376(b) of this title, shall deposit the same in the Treasury of the United States in such manner as the Secretary of the Treasury directs, and the Commissioner may refund any sum paid by mistake or in excess of the fee required by law. (Amended November 14, 1975, Public Law 94-131, sec. 4, 89 Stat. 690.)

Note.—See note under §6 for effective date of the amendment by which sections 361(b) and 376(b) are excepted from the deposit requirement of this section.

PART II—PATENTABILITY OF INVENTIONS AND GRANT OF PATENTS

CHAPTER 10—PATENTABILITY OF INVENTIONS

§ 100. Definitions

When used in this title unless the context otherwise indicates—

(a) The term "invention" means invention or discovery.

(b) The term "process" means process, art or method, and includes a new use of a known process, machine, manufacture, composition of matter, or material.

(c) The terms "United States" and "this country" means the United States of America, its territories and possessions.

(d) The word "patentee" includes not only the patentee to whom the patent was issued but also the successors in title to the patentee.

§ 101. Inventions patentable

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

§ 102. Conditions for patentability; novelty and loss of right to patent

A person shall be entitled to a patent unless—

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for patent, or

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States, or

(c) he has abandoned the invention, or

(d) the invention was first patented or caused to be patented, or was the subject of an inventor's certificate, by the applicant or his legal representatives or assigns in a foreign country prior to the date of the application for patent in this country on an application for patent or inventor's certificate filed more than twelve months before the filing of the application in the United States, or

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international

application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent, or

(f) he did not himself invent the subject matter sought to be patented, or

(g) before the applicant's invention thereof the invention was made in this country by another who had not abandoned, suppressed, or concealed it. In determining priority of invention there shall be considered not only the respective dates of conception and reduction to practice of the invention, but also the reasonable diligence of one who was first to conceive and last to reduce to practice, from a time prior to conception by the other (Amended July 28, 1972, Public Law 92-358, sec. 2, 86 Stat. 501; November 14, 1975, Public Law 94-131, sec. 5, 89 Stat. 691.)

Note 1.—Section 3(b) of Public Law 92–358 provides that: "Section 2 of this Act [amends subsection (d) of this section] shall take effect six months from the date when Articles 1–12 of the Paris Convention of March 20, 1883, for the Protection of Industrial Property, as revised at Stockholm, July 14, 1967, come into force with respect to the United States and shall apply to applications thereafter filed in the United States." The cited articles entered into force for the United States on August 25, 1973. (See "United States Treaties and Other International Agreements" TIAS 7727.)

Note 2.—See the note under §6 for the effective date of the amendment to paragraph (e) of this section relating to a patent granted on an international application by another.

§ 103. Conditions for patentability; non-obvious subject matter

A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

§ 104. Invention made abroad

In proceedings in the Patent Office and in the courts, an applicant for a patent, or a patentee, may not establish a date of invention by reference to knowledge or use thereof, or other activity with

respect thereto, in a foreign country, except as provided in sections 119 and 365 of this title. Where an invention was made by a person, civil or military, while domiciled in the United States and serving in a foreign country in connection with operations by or on behalf of the United States, he shall be entitled to the same rights of priority with respect to such inventions as if the same had been made in the United States. (Amended January 2, 1975, Public Law 93-596, sec. 1, 88 Stat 1949; November 14, 1975, Public Law 94-131, sec. 6, 89 Stat. 691.)

Note.—See note under §6 for the effective date of the amendment under Public Law 94-131 by which the reference to section 365 in the first sentence of this section was added.

Chapter 11—Application For Patent

Sec.

§ 111. Application for patent

Application for patent shall be made by the inventor, except as otherwise provided in this title, in writing to the Commissioner. Such application shall include: (1) a specification as prescribed by section 112 of this title; (2) a drawing as prescribed by section 113 of this title; and (3) an oath by the applicant as prescribed by section 115 of this title. The application must be signed by the applicant and accompanied by the fee required by law.

§ 112. Specification

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly

connected, to make and use the same, and shall set forth the best mode contemplated by the inventor of carrying out his invention.

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

A claim may be written in independent or, if the nature of the case admits, in dependent or multiple dependent form.

Subject to the following paragraph, a claim in dependent form shall contain a reference to a claim previously set forth and then specify a further limitation of the subject matter claimed. A claim in dependent form shall be construed to incorporate by reference all the limitations of the claim to which it refers.

A claim in multiple dependent form shall contain a reference, in the alternative only, to more than one claim previously set forth and then specify a further limitation of the subject matter claimed. A multiple dependent claim shall not serve as a basis for any other multiple dependent claim. A multiple dependent claim shall be construed to incorporate by reference all the limitations of the particular claim in relation to which it is being considered.

An element in a claim for a combination may be expressed as a means or step for performing a specified function without the recital of structure, material, or acts in support thereof, and such claim shall be construed to cover the corresponding structure, material, or acts described in the specification and equivalents thereof. (Amended July 24, 1965, Public Law 89–83, sec. 9, 79 Stat. 261; November 14, 1975, Public Law 94–131, sec. 7, 89 Stat. 691.)

Note.—See the note under §6 for the effective date of the amendments to this section under Public Law 94–131 relating to the form of the claims.

§ 113. Drawings

The applicant shall furnish a drawing where necessary for the understanding of the subject matter sought to be patented. When the nature of such subject matter admits of illustration by a drawing and the applicant has not furnished such a drawing, the Commissioner may require its submission within a time period of not less than two months from the sending of a notice thereof. Drawings submitted after the filing date of the application may not be used (i) to overcome any insufficiency of the specification due to lack of an

enabling disclosure or otherwise inadequate disclosure therein, or (ii) to supplement the original disclosure thereof for the purpose of interpretation of the scope of any claim. (Amended November 14, 1975, Public Law 94–131, sec. 8, 89 Stat. 691.)

Note.—See the note under §6 for the effective date of the amendment to this section which requires that drawings be furnished on filing when necessary for the understanding of the invention, and on request when the nature of the subject matter admits of illustration and no drawing was furnished.

§ 114. Models, specimens

The Commissioner may require the applicant to furnish a model of convenient size to exhibit advantageously the several parts of his invention.

When the invention relates to a composition of matter, the Commissioner may require the applicant to furnish specimens or ingredients for the purpose of inspection or experiment.

§ 115. Oath of applicant

The applicant shall make oath that he believes himself to be the original and first inventor of the process, machine, manufacture, or composition of matter, or improvement thereof, for which he solicits a patent; and shall state of what country he is a citizen. Such oath may be made before any person within the United States authorized by law to administer oaths, or, when made in a foreign country, before any diplomatic or consular officer of the United States authorized to administer oaths, or before any officer having an official seal and authorized to administer oaths in the foreign country in which the applicant may be, whose authority shall be proved by certificate of a diplomatic or consular officer of the United States, and such oath shall be valid if it complies with the laws of the state or country where made. When the application is made as provided in this title by a person other than the inventor, the oath may be so varied in form that it can be made by him.

§ 116. Joint inventors

When an invention is made by two or more persons jointly, they shall apply for patent jointly and each sign the application and make the required oath, except as otherwise provided in this title.

If a joint inventor refuses to join in an application for patent or

cannot be found or reached after diligent effort, the application may be made by the other inventor on behalf of himself and the omitted inventor. The Commissioner, on proof of the pertinent facts and after such notice to the omitted inventor as he prescribes, may grant a patent to the inventor making the application, subject to the same rights which the omitted inventor would have had if he had been joined. The omitted inventor may subsequently join in the application.

Whenever a person is joined in an application for patent as joint inventor through error, or a joint inventor is not included in an application through error and such error arose without any deceptive intention on his part, the Commissioner may permit the application to be amended accordingly, under such terms as he prescribes.

§ 117. Death or incapacity of inventor

Legal representatives of deceased inventors and of those under legal incapacity may make application for patent upon compliance with the requirements and on the same terms and conditions applicable to the inventor.

§ 118. Filing by other than inventor

Whenever an inventor refuses to execute an application for patent, or cannot be found or reached after diligent effort, a person to whom the inventor has assigned or agreed in writing to assign the invention or who otherwise shows sufficient proprietary interest in the matter justifying such action, may make application for patent on behalf of and as agent for the inventor on proof of the pertinent facts and a showing that such action is necessary to preserve the rights of the parties or to prevent irreparable damage; and the Commissioner may grant a patent to such inventor upon such notice to him as the Commissioner deems sufficient, and on compliance with such regulations as he prescribes.

§ 119. Benefit of earlier filing date in foreign country; right of priority

An application for patent for an invention filed in this country by any person who has, or whose legal representatives or assigns have, previously regularly filed an application for a patent for the same invention in a foreign country which affords similar privileges in the case of applications filed in the United States or to citizens of the United States, shall have the same effect as the same application

would have if filed in this country on the date on which the application for patent for the same invention was first filed in such foreign country, if the application in this country is filed within twelve months from the earliest date on which such foreign application was filed; but no patent shall be granted on any application for patent for an invention which had been patented or described in a printed publication in any country more than one year before the date of the actual filing of the application in this country, or which had been in public use or on sale in this country more than one year prior to such filing.

No application for patent shall be entitled to this right of priority unless a claim therefor and a certified copy of the original foreign application, specification and drawings upon which it is based are filed in the Patent and Trademark Office before the patent is granted, or at such time during the pendency of the application as required by the Commissioner not earlier than six months after the filing of the application in this country. Such certification shall be made by the patent office of the foreign country in which filed and show the date of the application and of the filing of the specification and other papers. The Commissioner may require a translation of the papers filed if not in the English language and such other information as he deems necessary.

In like manner and subject to the same conditions and requirements, the right provided in this section may be based upon a subsequent regularly filed application in the same foreign country instead of the first filed foreign application, provided that any foreign application filed prior to such subsequent application has been withdrawn, abandoned, or otherwise disposed of, without having been laid open to public inspection and without leaving any rights outstanding, and has not served, nor thereafter shall serve, as a basis for claiming a right of priority.

Applications for inventors' certificates filed in a foreign country in which applicants have a right to apply, at their discretion, either for a patent or for an inventor's certificate shall be treated in this country in the same manner and have the same effect for purpose of the right of priority under this section as applications for patents, subject to the same conditions and requirements of this section as apply to applications for patents, provided such applicants are entitled to the benefits of the Stockholm Revision of the Paris Convention at the time of such filing. (Amended October 3, 1961, Public Law 87–333,

sec. 1, 75 Stat. 748; July 28, 1972, Public Law 92–358, sec. 1, 86 Stat. 502; and January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

Note 1.—Section 3(a) of Public Law 92–358 provides: "Section 1 of this Act [amends section 119] shall take effect on the date when Articles 1–12 of the Paris Convention of March 20, 1883 for the Protection of Industrial Property, as revised at Stockholm, July 14, 1967, come into force with respect to the United States and shall apply to applications thereafter filed in the United States." The cited articles came into force for the United States on August 25, 1973. (TIAS 7727)

Note 2.—The right of priority referred to in this section has been recognized in respect of applications previously filed in approximately ninety foreign countries.

The authority in most instances is the *Paris Convention of 1883 for the Protection of Industrial Property*. The most recent text of this convention is the Stockholm Act (21 U.S.T. 1583, 2140; TIAS 6923, 7727; 852 O.G. 511). Earlier Acts in effect in respect of one or more countries are the Act of Lisbon (13 U.S.T. 1; TIAS 4931; 775 O.G. 321; 53 Stat. 1748), London TS 941; 3 Bevans 223; 613 O.G. 23; 53 Stat. 1748), and the Hague (TS 834; 2 Bevans 524; 407 O.G. 298; 47 Stat. 1789). A list of the member countries together with an indication of the latest Act by which each country is bound and the date from which each is considered to be bound appears annually in the January issue of "Industrial Property," a monthly review of the World Intellectual Property Organization (WIPO), 34, chemin des Colombettes, 1211 Geneva 20 Switzerland.

An additional authority, applicable in respect of some of these countries, is the *Inter-American Convention for the Protection of Inventions, Patents, Designs and Industrial Models,* signed at Buenos Aires, August 20, 1910 (TS 595; 1 Bevans 767; 207 O.G. 935, 38 Stat. 1811).

Names of the States which are parties to the above conventions may be found in "Treaties in Force," a list of treaties and other international agreements in force on the first day of January of each year, compiled annually by the Office of the Legal Adviser, Department of State.

The right of priority has also been recognized based upon applications equivalent to regular national applications under treaties concluded between countries bound by the Paris Convention for the Protection of Industrial Property. Included is the *"Libreville Agreement relating to the creation of an African and Malagasy Office of Industrial Property,"* dated September 13, 1962, now ratified or acceded to by Benin, Cameroon, Central African Empire, Chad, Congo, Gabon, Ivory Coast, Mauritania, Niger, Senegal, Togo and Upper Volta. This arrangement is administered by the "African Organization for Intellectual Property" (OAPI), a central office located at Yaounde, Cameroon.

Also included, in respect of applications for design patent, is the *"Agreement of the Hague Concerning the International Deposit of Industrial*

Designs" of November 6, 1925, revised at London (1934), providing for the international deposit of industrial designs with an international bureau, administered by the World Intellectual Property Organization (WIPO). A current list of the member countries of this Union, together with details as to the dates of accession, etc., appears annually in the January issue of "Industrial Property."

§ 120. Benefit of earlier filing date in the United States

An application for patent for an invention disclosed in the manner provided by the first paragraph of section 112 of this title in an application previously filed in the United States, or as provided by section 363 of this title, by the same inventor shall have the same effect, as to such invention, as though filed on the date of the prior application, if filed before the patenting or abandonment of or termination of proceedings on the first application or on an application similarly entitled to the benefit of the filing date of the first application and if it contains or is amended to contain a specific reference to the earlier filed application. (Amended November 14, 1975, Public Law 94-31, sec. 9, 89 Stat. 691.)

Note.—See the note under §6 for the effective date of the amendment to this section relating to section 363.

§ 121. Divisional applications

If two or more independent and distinct inventions are claimed in one application, the Commissioner may require the application to be restricted to one of the inventions. If the other invention is made the subject of a divisional application which complies with the requirements of section 120 of this title it shall be entitled to the benefit of the filing date of the original application. A patent issuing on an application with respect to which a requirement for restriction under this section has been made, or on an application filed as a result of such a requirement, shall not be used as a reference either in the Patent and Trademark Office or in the courts against a divisional application or against the original application or any patent issued on either of them, if the divisional application is filed before the issuance of the patent on the other application. If a divisonal application is directed solely to subject matter described and claimed in the original application as filed, the Commissioner may dispense with signing

and execution by the inventor. The validity of a patent shall not be questioned for failure of the Commissioner to require the application to be restricted to one invention. (Amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

§ 122. Confidential status of applications

Applications for patents shall be kept in confidence by the Patent and Trademark Office and no information concerning the same given without authority of the applicant or owner unless necessary to carry out the provisions of any Act of Congress or in such special circumstances as may be determined by the Commissioner. (Amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

Chapter 12—Examination of Application

Sec.

§ 131. Examination of application

The Commissioner shall cause an examination to be made of the application and the alleged new invention; and if on such examination it appears that the applicant is entitled to a patent under the law, the Commissioner shall issue a patent therefor.

§ 132. Notice of rejection; reexamination

Whenever, on examination, any claim for a patent is rejected, or any objection or requirement made, the Commissioner shall notify the applicant thereof, stating the reasons for such rejection, or objection or requirement, together with such information and references as may be useful in judging of the propriety of continuing the prosecution of his application; and if after receiving such notice, the applicant persists in his claim for a patent, with or without amendment, the application shall be reexamined. No amendment shall introduce new matter into the disclosure of the invention.

§ 133. Time for prosecuting application

Upon failure of the applicant to prosecute the application within six months after any action therein, of which notice has been given or mailed to the applicant, or within such shorter time, not less than thirty days, as fixed by the Commissioner in such action, the application shall be regarded as abandoned by the parties thereto, unless it be shown to the satisfaction of the Commissioner that such delay was unavoidable.

§ 134. Appeal to the Board of Appeals

An applicant for a patent, any of whose claims has been twice rejected, may appeal from the decision of the primary examiner to the Board of Appeals, having once paid the fee for such appeal.

§ 135. Interferences

(a) Whenever an application is made for a patent which, in the opinion of the Commissioner, would interfere with any pending application, or with any unexpired patent, he shall give notice thereof to the applicants, or applicant and patentee, as the case may be. The question of priority of invention shall be determined by a board of patent interferences (consisting of three examiners of interferences) whose decision, if adverse to the claim of an applicant, shall constitute the final refusal by the Patent and Trademark Office of the claims involved, and the Commissioner may issue a patent to the applicant who is adjudged the prior inventor. A final judgment adverse to a patentee from which no appeal or other review has been or can be taken or had shall constitute cancellation of the claims involved from the patent, and notice thereof shall be endorsed on copies of the patent thereafter distributed by the Patent and Trademark Office.

(b) A claim which is the same as, or for the same or substantially the same subject matter as, a claim of an issued patent may not be made in any application unless such a claim is made prior to one year from the date on which the patent was granted.

(c) Any agreement or understanding between parties to an interference, including any collateral agreements referred to therein, made in connection with or in contemplation of the termination of the interference, shall be in writing and a true copy thereof filed in the Patent and Trademark Office before the termination of the interference as

between the said parties to the agreement or understanding. If any party filing the same so requests, the copy shall be kept separate from the file of the interference, and made available only to Government agencies on written request, or to any person on a showing of good cause. Failure to file the copy of such agreement or understanding shall render permanently unenforceable such agreement or understanding and any patent of such parties involved in the interference or any patent subsequently issued on any application of such parties so involved. The Commissioner may, however, on a showing of good cause for failure to file within the time prescribed, permit the filing of the agreement or understanding during the six-month period subsequent to the termination of the interference as between the parties to the agreement or understanding.

The Commissioner shall give notice to the parties or their attorneys of record, a reasonable time prior to said termination, of the filing requirement of this section. If the Commissioner gives such notice at a later time, irrespective of the right to file such agreement or understanding within the six-month period on a showing of good cause, the parties may file such agreement or understanding within sixty days of the receipt of such notice.

Any discretionary action of the Commissioner under this subsection shall be reviewable under section 10 of the Administrative Procedure Act. (Amended October 15, 1962, Public Law 87–831, 76 Stat. 958; and January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

Chapter 13—Review of Patent and Trademark Office Decision

Sec.

§ 141. Appeal to Court of Customs and Patent Appeals

An applicant dissatisfied with the decision of the Board of Appeals may appeal to the United States Court of Customs and Patent Ap-

peals, thereby waiving his right to proceed under section 145 of this title. A party to an interference dissatisfied with the decision of the board of patent interferences on the question of priority may appeal to the United States Court of Customs and Patent Appeals, but such appeal shall be dismissed if any adverse party to such interference, within twenty days after the appellant has filed notice of appeal according to section 142 of this title, files notice with the Commissioner that he elects to have all further proceedings conducted as provided in section 146 of this title. Thereupon the appellant shall have thirty days thereafter within which to file a civil action under section 146, in default of which the decision appealed from shall govern the further proceedings in the case.

§ 142. Notice of appeal

When an appeal is taken to the United States Court of Customs and Patent Appeals, the appellant shall give notice thereof to the Commissioner, and shall file in the Patent and Trademark Office his reasons of appeal, specifically set forth in writing, within such time after the date of the decision appealed from, not less than sixty days, as the Commissioner appoints. (Amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

§ 143. Proceedings on appeal

The United States Court of Customs and Patent Appeals shall, before hearing such appeal, give notice of the time and place of the hearing to the Commissioner and the parties thereto. The Commissioner shall transmit to the court certified copies of all the necessary original papers and evidence in the case specified by the appellant and any additional papers and evidence specified by the appellee and in an ex parte case the Commissioner shall furnish the court with the grounds of the decision of the Patent and Trademark Office, in writing, touching all the points involved by the reasons of appeal. (Amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

§ 144. Decision on appeal

The United States Court of Customs and Patent Appeals on petition, shall hear and determine such appeal on the evidence produced before the Patent and Trademark Office, and the decision shall be confined to the points set forth in the reasons of appeal. Upon its determination the court shall return to the Commissioner a certificate

of its proceedings and decision, which shall be entered of record in the Patent and Trademark Office and govern the further proceedings in the case. (Amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

§ 145. Civil action to obtain patent

An applicant dissatisfied with the decision of the Board of Appeals may unless appeal has been taken to the United States Court of Customs and Patent Appeals, have remedy by civil action against the Commissioner in the United States District Court for the District of Columbia if commenced within such time after such decision, not less than sixty days, as the Commissioner appoints. The court may adjudge that such applicant is entitled to receive a patent for his invention, as specified in any of his claims involved in the decision of the Board of Appeals, as the facts in the case may appear and such adjudication shall authorize the Commissioner to issue such patent on compliance with the requirements of law. All the expenses of the proceedings shall be paid by the applicant.

§ 146. Civil action in case of interference

Any party to an interference dissatisfied with the decision of the board of patent interferences on the question of priority, may have remedy by civil action. if commenced within such time after such decision, not less than sixty days, as the Commissioner appoints or as provided in section 141 of this title, unless he has appealed to the United States Court of Customs and Patent Appeals, and such appeal is pending or has been decided. In such suits the record in the Patent and Trademark Office shall be admitted on motion of either party upon the terms and conditions as to costs, expenses, and the further cross-examination of the witnesses as the court imposes, without prejudice to the right of the parties to take further testimony. The testimony and exhibits of the record in the Patent and Trademark Office when admitted shall have the same effect as if originally taken and produced in the suit.

Such suit may be instituted against the party in interest as shown by the records of the Patent and Tradmark Office at the time of the decision complained of, but any party in interest may become a party to the action. If there be adverse parties residing in a plurality of districts not embraced within the same state, or an adverse party residing in a foreign country, the United States District Court for the

District of Columbia shall have jurisdiction and may issue summons against the adverse parties directed to the marshal of any district in which any adverse party resides. Summons against adverse parties residing in foreign countries may be served by publication or otherwise as the court directs. The Commissioner shall not be a necessary party but he shall be notified of the filing of the suit by the clerk of the court in which it is filed and shall have the right to intervene. Judgment of the court in favor of the right of an applicant to a patent shall authorize the Commissioner to issue such patent on the filing in the Patent and Trademark Office of a certified copy of the judgment and on compliance with the requirements of law. (Amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

Chapter 14—Issue of Patent

§ 151. Issue of patent

If it appears that applicant is entitled to a patent under the law, a written notice of allowance of the application shall be given or mailed to the applicant. The notice shall specify a sum, constituting the issue fee or a portion thereof, which shall be paid within three months thereafter.

Upon payment of this sum the patent shall issue, but if payment is not timely made, the application shall be regarded as abandoned.

Any remaining balance of the issue fee shall be paid within three months from the sending of a notice thereof and, if not paid, the patent shall lapse at the termination of this three-month period. In calculating the amount of a remaining balance, charges for a page or less may be disregarded.

If any payment required by this section is not timely made, but is submitted with the fee for delayed payment and the delay in payment is shown to have been unavoidable, it may be accepted by the Commissioner as though no abandonment or lapse had ever occurred. (Amended July 24, 1965, Public Law 89–83, secs. 4 and 6, 79 Stat. 260; and January 2, 1975, Public Law 93–601, sec. 3, 88 Stat. 1956.)

Note.—"Section 4(a) of Public Law 93–601 provides that: "The Commissioner of Patents may, in accordance with Section 3 of this Act, accept late payment of issue fees, the payment of which was governed by the provisions of Public Law 89–93; *Provided:* the term of the patent for which late payment of such an issue fee is accepted shall expire earlier than the time specified in Section 154 of Title 35, United States Code by a period equal to the delay between the time the application became abandoned or the patent lapsed for failure to pay the issue fee and the time the late payment is accepted after enactment of this Act [Jan. 2, 1975]. *Further Provided:* no patent with respect to which the payment of the issue fee was governed by the provisions of PL 89–83 and for which a late payment of the issue fee is accepted under the authority created by Section 3 of this Act, shall abridge or affect the right of any person or his successors in business who made, purchased or used anything covered by the patent, after the date of the application became abandoned or patent lapsed for failure to pay the issue fee but prior to the grant or restoration of the patent, to continue the use of or to sell to others to be used or sold, the specific thing so made, purchased, or used. A court before which such matter is in question may provide for the continued manufacture, use or sale of the thing made, purchased or used as specified, or for the manufacture, use, or sale of which substantial preparation was made after the date the application became abandoned or patent lapsed for failure to pay the fee but prior to the grant or restoration of the patent, and it may also provide for the continued practice of any process covered by the patent, practiced, or for the practice of which substantial preparation was made, after the date the application became abandoned or patent lapsed for failure to pay the issue fee but prior to the grant or restoration of the patent, to the extent and under such terms as the court deems equitable for the protection of investments made or business commenced before the grant or restoration of the patent."

§ 152. Issue of patent to assignee.

Patents may be granted to the assignee of the inventor of record in the Patent and Trademark Office, upon the application made and the specification sworn to by the inventor, except as otherwise provided in this title. (Amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

§ 153. How issued

Patents shall be issued in the name of the United States of America, under the seal of the Patent and Trademark Office, and shall be signed by the Commissioner or have his signature placed thereon and attested by an officer of the Patent and Trademark Office designated by the Commissioner, and shall be recorded in the Patent and

Trademark Office. (Amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

§ 154. Contents and term of patent

Every patent shall contain a short title of the invention and a grant to the patentee, his heirs or assigns, for the term of seventeen years, subject to the payment of issue fees as provided for in this title, of the right to exclude others from making, using, or selling the invention throughout the United States, referring to the specification for the particulars thereof. A copy of the specification and drawings shall be annexed to the patent and be a part thereof. (Amended July 24, 1965, Public Law 89–83, sec. 5, 79 Stat. 261.)

Chapter 15—Plant Patents

§ 161. Patents for plants

Whoever invents or discovers and asexually reproduces any distinct and new variety of plant, including cultivated sports, mutants, hybrids, and newly found seedlings, other than a tuber propagated plant or a plant found in an uncultivated state, may obtain a patent therefor, subject to the conditions and requirements of title. (Amended September 3, 1954, 68 Stat. 1190.)

The provisions of this title relating to patents for inventions shall apply to patents for plants, except as otherwise provided.

§ 162. Description, claim

No plant patent shall be declared invalid for noncompliance with section 112 of this title if the description is as complete as is reasonably possible.

The claim in the specification shall be in formal terms to the plant shown and described.

§ 163. Grant

In the case of a plant patent the grant shall be of the right to

exclude others from asexually reproducing the plant or selling or using the plant so reproduced.

§ 164. Assistance of Department of Agriculture.

The President may by Executive order direct the Secretary of Agriculture, in accordance with the requests of the Commissioner, for the purpose of carrying into effect the provisions of this title with respect to plants (1) to furnish available information of the Department of Agriculture, (2) to conduct through the appropriate bureau or division of the Department research upon special problems, or (3) to detail to the Commissioner officers and employees of the Department.

Chapter 16—Designs

§ 171. Patents for designs

Whoever invents any new, original and ornamental design for an article of manufacture may obtain a patent therefor, subject to the conditions and requirements of this title.

The provisions of this title relating to patents for inventions shall apply to patents for designs, except as otherwise provided.

§ 172. Right of priority

The right of priority provided for by section 119 of this title and the time specified in section 102(d) shall be six months in the case of designs.

§ 173. Term of design patent

Patents for designs may be granted for the term of three years and six months, or for seven years, or for fourteen years, as the applicant, in his application, elects.

Chapter 17—Secrecy of Certain Inventions and Filing Applications in Foreign Countries

Sec.
182. Abandonment of invention for unauthorized disclosure.
183. Right of compensation.
184. Filing of application in foreign country.
185. Patent barred for filing without license.
186. Penalty.
187. Nonapplicability to certain persons.
188. Rules and regulations, delegation of power.

§ 181. Secrecy of certain inventions and withholding of patent

Whenever publication or disclosure by the grant of a patent on an invention in which the Government has a property interest might, in the opinion of the head of the interested Government agency, be detrimental to the national security, the Commissioner upon being so notified shall order that the invention be kept secret and shall withhold the grant of a patent therefor under the conditions set forth hereinafter.

Whenever the publication or disclosure of an invention by the granting of a patent, in which the Government does not have a property interest, might, in the opinion of the Commissioner, be detrimental to the national security, he shall make the application for patent in which such invention is disclosed available for inspection to the Atomic Energy Commission, the Secretary of Defense, and the chief officer of any other department or agency of the Government designated by the President as a defense agency of the United States.

Each individual to whom the application is disclosed shall sign a dated acknowledgment thereof, which acknowledgment shall be entered in the file of the application. If, in the opinion of the Atomic Energy Commission, the Secretary of a Defense Department, or the chief officer of another department or agency so designated, the publication or disclosure of the invention by the granting of a patent therefor would be detrimental to the national security, the Atomic Energy Commission, the Secretary of a Defense Department, or such other chief officer shall notify the Commissioner and the Commissioner shall order that the invention be kept secret and shall withhold the grant of a patent for such period as the national interest requires, and notify the applicant thereof. Upon proper showing by the head of the department or agency who caused the secrecy order to be issued that the examination of the application might jeopardize the national interest, the Commissioner shall thereupon maintain the application in a sealed condition and notify the applicant thereof. The owner of

an application which has been placed under a secrecy order shall have a right to appeal from the order to the Secretary of Commerce under rules prescribed by him.

An invention shall not be ordered kept secret and the grant of a patent withheld for a period of more than one year. The Commissioner shall renew the order at the end thereof, or at the end of any renewal period, for additional periods of one year upon notification by the head of the department or the chief officer of the agency who caused the order to be issued that an affirmative determination has been made that the national interest continues so to require. An order in effect, or issued, during a time when the United States is at war, shall remain in effect for the duration of hostilities and one year following cessation of hostilities. An order in effect, or issued, during a national emergency declared by the President shall remain in effect for the duration of the national emergency and six months thereafter. The Commissioner may rescind any order upon notification by the heads of the departments and the chief officers of the agencies who caused the order to be issued that the publication or disclosure of the invention is no longer deemed detrimental to the national security.

Note.—Section 4(h) of the Act of July 19, 1952, provides with respect to the repeal of the prior statute corresponding to sections 181 to 188 of Title 35:

"The repeal of sections 1–9, 11, 12 of the Act of Congress approved February 1, 1952 (ch. 4, 66 Stat. 3), shall not affect any rights or liabilities existing on the date of approval of this Act and in effect on the date of approval of this Act, shall be considered as issued under this Act, and any claims arising under the repealed Act or subject to presentation and determination pursuant thereto and unsettled as of the effective date of this Act, may be presented and determined pursuant to the provisions of this Act."

§ 182. Abandonment of invention for unauthorized disclosure

The invention disclosed in an application for patent subject to an order made pursuant to section 181 of this title may be held abandoned upon its being established by the Commissioner that in violation of said order the invention has been published or disclosed or than an application for a patent therefor has been filed in a foreign country by the inventor, his successors, assigns, or legal representatives, or anyone in privity with him or them, without the consent of the Commissioner. The abandonment shall be held to have occurred as of the time of violation. The consent of the Commissioner shall not be given without the concurrence of the heads of the departments and

the chief officers of the agencies who caused the order to be issued. A holding of abandonment shall constitute forfeiture by the applicant, his successors, assigns, or legal representatives, or anyone in privity with him or them, of all claims against the United States based upon such invention.

§ 183. Right to compensation

An applicant, his successors, assigns, or legal representatives, whose patent is withheld as herein provided, shall have the right, beginning at the date the applicant is notified that, except for such order, his application is otherwise in condition for allowance, or February 1, 1952, whichever is later, and ending six years after a patent is issued thereon, to apply to the head of any department or agency who caused the order to be issued for compensation for the damage caused by the order of secrecy and/or for the use of the invention by the Government, resulting from his disclosure. The right to compensation for use shall begin on the date of the first use of the invention by the Government. The head of the department or agency is authorized, upon the presentation of a claim, to enter into an agreement with the applicant, his successors, assigns, or legal representatives, in full settlement for the damage and/or use. This settlement agreement shall be conclusive for all purposes notwithstanding any other provision of law to the contrary. If full settlement of the claim cannot be effected, the head of the department or agency may award and pay to such applicant, his successors, assigns, or legal representatives, a sum not exceeding 75 per centum of the sum which the head of the department or agency considers just compensation for the damage and/or use. A claimant may bring suit against the United States in the court of Claims or in the District Court of the United States for the district in which such claimant is a resident for an amount which when added to the award shall constitute just compensation for the damage and/or use of the invention by the Government. The owner of any patent issued upon an application that was subject to a secrecy order issued pursuant to section 181 of this title, who did not apply for compensation as above provided, shall have the right, after the date of issuance of such patent, to bring suit in the Court of Claims for just compensation for the damage caused by reason of the order of secrecy and/or use by the Government of the invention resulting from his disclosure. The right to compensation for use shall begin on the date of the first use of the invention

by the Government. In a suit under the provisions of this section the United States may avail itself of all defenses it may plead in an action under section 1498 of title 28. This section shall not confer a right of action on anyone or his successors, assigns, or legal representatives who, while in the full-time employment or service of the United States, discovered, invented, or developed the invention on which the claim is based.

§ 184. **Filing of application in foreign country.**

Except when authorized by a license obtained from the Commissioner a person shall not file or cause or authorize to be filed in any foreign country prior to six months after filing in the United States an application for patent or for the registration of a utility model, industrial design, or model in respect of an invention made in this country. A license shall not be granted with respect to an invention subject to an order issued by the Commissioner pursuant to section 181 of this title without the concurrence of the head of the departments and the chief officers of the agencies who caused the order to be issued. The license may be granted retroactively where an application has been inadvertently filed abroad and the application does not disclose an invention within the scope of section 181 of this title.

The term "application" when used in this chapter includes applications and any modifications, amendments, or supplements thereto, or divisions thereof.

§ 185. **Patent barred for filing without license**

Notwithstanding any other provisions of law any person, and his successors, assigns, or legal representatives, shall not receive a United States patent for an invention if that person, or his successors, assigns, or legal representatives shall, without procuring the license prescribed in section 184 of this title, have made, or consented to or assisted another's making, application in a foreign country for a patent or for the registration of a utility model, industrial design, or model in respect of the invention. A United States patent issued to such person, his successors, assigns, or legal representatives shall be invalid.

§ 186. **Penalty**

Whoever, during the period or periods of time an invention has been ordered to be kept secret and the grant of a patent thereon

withheld pursuant to section 181 of this title, shall, with knowledge of such order and without due authorization, willfully publish or disclose or authorize or cause to be published or disclosed the invention, or material information with respect thereto, or whoever, in violation of the provisions of section 184 of this title, shall file or cause or authorize to be filed in any foreign country an application for patent or for the registration of a utility model, industrial design, or model in respect of any invention made in the United States, shall, upon conviction, be fined not more than $10,000 or imprisoned for not more than two years, or both.

§ 187. Nonapplicability to certain persons

The prohibitions and penalties of this chapter shall not apply to any officer or agent of the United States acting within the scope of his authority, nor to any person acting upon his written instructions or permission.

§ 188. Rules and regulations, delegation of power

The Atomic Energy Commission, the Secretary of a defense department, the chief officer of any other department or agency of the Government designated by the President as a defense agency of the United States, and the Secretary of Commerce, may separately issue rules and regulations to enable the respective department or agency to carry out the provisions of this chapter, and may delegate any power conferred by this chapter.

PART III—PATENTS AND PROTECTION OF PATENT RIGHTS

Chapter 25—Amendment and Correction of Patents

§ 251. Reissue of defective patents

Whenever any patent is, through error without any deceptive intention, deemed wholly or partly inoperative or invalid, by reason of a defective specification or drawing, or by reason of the patentee claiming more or less than he had a right to claim in the patent, the Commissioner shall, on the surrender of such patent and the payment of the fee required by law, reissue the patent for the invention disclosed in the original patent, and in accordance with a new and amended application, for the unexpired part of the term of the original patent. No new matter shall be introduced into the application for reissue.

The Commissioner may issue several reissued patents for distinct and separate parts of the thing patented, upon demand of the applicant, and upon payment of the required fee for a reissue for each of such reissued patents.

The provisions of this title relating to applications for patent shall be applicable to applications for reissue of a patent, except that application for reissue may be made and sworn to by the assignee of the entire interest if the application does not seek to enlarge the scope of the claims of the original patent.

No reissued patent shall be granted enlarging the scope of the claims of the original patent unless applied for within two years from the grant of the original patent.

§ 252. Effect of reissue

The surrender of the original patent shall take effect upon the issue of the reissued patent, and every reissued patent shall have the same effect and operation in law, on the trial of actions for causes thereafter arising, as if the same had been originally granted in such amended form, but in so far as the claims or the original and reissued patents are identical, such surrender shall not affect any action then pending nor abate any cause of action then existing, and the reissued patent, to the extent that its claims are identical with the original patent, shall constitute a continuation thereof and have effect continuously from the date of the original patent.

No reissued patent shall abridge or affect the right of any person or his successors in business who made, purchased or used prior to the

grant of a reissue anything patented by the reissued patent, to continue the use of, or to sell to others to be used or sold, the specific thing so made, purchased or used, unless the making, using or selling of such thing infringes a valid claim of the reissued patent which was in the original patent. The court before which such matter is in question may provide for the continued manufacture, use or sale of the thing made, purchased or used as specified, or for the manufacture, use or sale of which substantial preparation was made before the grant of the reissue, and it may also provide for the continued practice of any process patented by the reissue, practiced, or for the practice of which substantial preparation was made, prior to the grant of the reissue, to the extent and under such terms as the court deems equitable for the protection of investments made or business commenced before the grant of the reissue.

§ 253. Disclaimer

Whenever, without any deceptive intention, a claim of a patent is invalid the remaining claims shall not thereby be rendered invalid. A patentee, whether of the whole or any sectional interest therein, may, on payment of the fee required by law, make disclaimer of any complete claim, stating therein the extent of his interest in such patent. Such disclaimer shall be in writing and recorded in the Patent and Trademark Office; and it shall thereafter be considered as part of the original patent to the extent of the interest possessed by the disclaimant and by those claiming under him.

In like manner any patentee or applicant may disclaim or dedicate to the public the entire term, or any terminal part of the term, of the patent granted or to be granted. (Amended January 2, 1975, Public Law 93–596, Sec. 1, 88 Stat. 1949.)

§ 254. Certificate of correction of Patent and Trademark Office mistake

Whenever a mistake in a patent, incurred through the fault of the Patent and Trademark Office, is clearly disclosed by the records of the Office, the Commissioner may issue a certificate of correction stating the fact and nature of such mistake, under seal, without charge, to be recorded in the records of patents. A printed copy thereof shall be attached to each printed copy of the patent, and such certificate shall be considered as part of the original patent. Every such patent, together with such certificate, shall have the same effect and opera-

tion in law on the trial of actions for causes thereafter arising as if the same had been originally issued in such corrected form. The Commissioner may issue a corrected patent without charge in lieu of and with like effect as a certificate of correction. (Amended January 2, 1975, Public Law 93–596, Sec. 1, 88 Stat. 1949.)

§ 255. Certificate of correction of applicant's mistake

Whenever a mistake of a clerical or typographical nature, or of minor character, which was not the fault of the Patent and Trademark Office, appears in a patent and a showing has been made that such mistake occurred in good faith, the Commissioner may, upon payment of the required fee, issue a certificate of correction, if the correction does not involve such changes in the patent as would constitute new matter or would require reexamination. Such patent, together with the certificate, shall have the same effect and operation in law on the trial of actions for causes thereafter arising as if the same had been originally issued in such corrected form. (Amended January 2, 1975, Public Law 93–596, Sec. 1, 88 Stat. 1949.)

§ 256. Misjoinder of inventor

Whenever a patent is issued on the application of persons as joint inventors and it appears that one of such persons was not in fact a joint inventor, and that he was included as a joint inventor by error and without any deceptive intention, the Commissioner may, on application of all the parties and assignees, with proof of the facts and such other requirements as may be imposed, issue a certificate deleting the name of the erroneously joined person from the patent.

Whenever a patent is issued and it appears that a person was a joint inventor, but was omitted by error and without deceptive intention on his part, the Commissioner may, on application of all the parties and assignees, with proof of the facts and such other requirements as may be imposed, issue a certificate adding his name to the patent as a joint inventor.

The misjoinder or nonjoinder of joint inventors shall not invalidate a patent, if such error can be corrected as provided in this section. The court before which such matter is called in question may order correction of the patent on notice and hearing of all parties concerned and the Commissioner shall issue a certificate accordingly.

CHAPTER 26—OWNERSHIP AND ASSIGNMENT

Sec.
261. Ownership; assignment.
262. Joint owners.

§ 261. Ownership; assignment

Subject to the provisions of this title, patents shall have the attributes of personal property.

Applications for patent, patents, or any interest therein, shall be assignable in law by an instrument in writing. The applicant, patentee, or his assigns or legal representatives may in like manner grant and convey an exclusive right under his application for patent, or patents, to the whole or any specified part of the United States.

A certificate of acknowledgement under the hand and official seal of a person authorized to administer oaths within the United States, or, in a foreign country, of a diplomatic or consular officer of the United States or an officer authorized to administer oaths whose authority is proved by a certificate of a diplomatic or consular officer of the United States, shall be prima facie evidence of the execution of an assignment, grant or conveyance of a patent or application for patent.

An assignment, grant or conveyance shall be void as against any subsequent purchaser or mortgagee for a valuable consideration, without notice, unless it is recorded in the Patent and Trademark Office within three months from its date or prior to the date of such subsequent purchase or mortgage. (Amended January 2, 1975, Public Law 93–596, Sec. 1, 88 Stat. 1949.)

§ 262. Joint owners

In the absence of any agreement to the contrary, each of the joint owners of a patent may make, use or sell the patented invention without the consent of and without accounting to the other owners.

CHAPTER 27—GOVERNMENT INTERESTS IN PATENTS

Sec.
266. [Repealed.]
267. Time for taking action in Government applications.

§ 266. Issue of patents without fees to Government employees

(Repealed July 24, 1965, Public Law 89–83, sec. 8, 79 Stat. 261.)

§ 267. Time for taking action in Government applications

Notwithstanding the provisions of sections 133 and 151 of this title, the Commissioner may extend the time for taking any action to three years, when an application has become the property of the United States and the head of the appropriate department or agency of the Government has certified to the Commissioner that the invention disclosed therein is important to the armament or defense of the United States.

Chapter 28—Infringement of Patents

Sec.

§ 271. Infringement of patent

(a) Except as otherwise provided in this title, whoever without authority makes, uses or sells any patented invention, within the United States during the term of the patent therefor, infringes the patent.

(b) Whoever actively induces infringement of a patent shall be liable as an infringer.

(c) Whoever sells a component of a patented machine, manufacture, combination or composition, or a material or apparatus for use in practicing a patented process, constituting a material part of the invention, knowing the same to be especially made or especially adapted for use in an infringement of such patent, and not a staple article or commodity of commerce suitable for substantial noninfringing use, shall be liable as a contributory infringer.

(d) No patent owner otherwise entitled to relief for infringement or contributory infringement of a patent shall be denied relief or deemed guilty of misuse or illegal extension of the patent right by reason of his having done one or more of the following: (1) derived revenue from acts which if performed by another without his consent would constitute contributory infringement of the patent; (2) licensed or authorized another to perform acts which if performed without his consent would constitute contributory infringement of the patent; (3)

sought to enforce his patent rights against infringement or contributory infringement.

§ 272. Temporary presence in the United States

The use of any invention in any vessel, aircraft or vehicle of any country which affords similar privileges to vessels, aircraft or vehicles of the United States, entering the United States temporarily or accidentally, shall not constitute infringement of any patent, if the invention is used exclusively for the needs of the vessel, aircraft or vehicle and is not sold in or used for the manufacture of anything to be sold in or exported from the United States.

Chapter 29—Remedies for Infringement of Patent, and Other Actions

§ 281. Remedy for infringement of patent

A patentee shall have remedy by civil action for infringement of his patent.

§ 282. Presumption of validity; defenses

A patent shall be presumed valid. Each claim of a patent (whether in independent, dependent, or multiple dependent form) shall be presumed valid independently of the validity of other claims; dependent or multiple dependent claims shall be presumed valid even though dependent upon an invalid claim. The burden of establishing invalidity of a patent or any claim thereof shall rest on the party asserting such invalidity.

The following shall be defenses in any action involving the validity or infringement of a patent and shall be pleaded:

(1) Noninfringement, absence of liability for infringement, or unenforceability,

(2) Invalidity of the patent or any claim in suit on any ground specified in part II of this title as a condition for patentability,

(3) Invalidity of the patent or any claim in suit for failure to comply with any requirement of sections 112 or 251 of this title,

(4) Any other fact or act made a defense by this title.

In actions involving the validity or infringement of a patent the party asserting invalidity or noninfringement shall give notice in the pleadings or otherwise in writing to the adverse party at least thrity days before the trial, of the country, number, date, and name of the patentee of any patent, the title, date, and page numbers of any publication to be relied upon as anticipation of the patent in suit or, except in actions in the United States Court of Claims, as showing the state of the art, and the name and address of any person who may be relied upon as the prior inventor or as having prior knowledge of or as having previously used or offered for sale the invention of the patent in suit. In the absence of such notice proof of the said matters may not be made at the trial except on such terms as the court requires (Amended July 24, 1965, Public Law 89–83, sec. 10, 79 Stat. 261; November 24, 1975, Public Law 94–131, sec. 10, 89 Stat. 692.)

Note.—For effective date of the amendment to the first paragraph of this section under Public Law 94–131, see note under §6.

§ 283. Injunction

The several courts having jurisdiction of cases under this title may grant injunctions in accordance with the principles of equity to prevent the violation of any right secured by patent, on such terms as the court deems reasonable.

§ 284. Damages

Upon finding for the claimant the court shall award the claimant damages adequate to compensate for the infringement but in no event less than a reasonable royalty for the use made of the invention by the infringer, together with interest and costs as fixed by the court.

When the damages are not found by a jury, the court shall assess

them. In either event the court may increase the damages up to three times the amount found or assessed.

The court may receive expert testimony as an aid to the determination of damages or of what royalty would be reasonable under the circumstances.

§ 285. Attorney fees

The court in exceptional cases may award reasonable attorney fees to the prevailing party.

§ 286. Time limitation on damages

Except as otherwise provided by law, no recovery shall be had for any infringement committed more than six years prior to the filing of the complaint or counterclaim for infringement in the action.

In the case of claims against the United States Government for use of a patented invention, the period before bringing suit, up to six years, between the date of receipt of a written claim for compensation by the department or agency of the Government having authority to settle such claim, and the date of mailing by the Government of a notice to the claimant that his claim has been denied shall not be counted as part of the period referred to in the preceding paragraph.

§ 287. Limitation on damages; marking and notice

Patentees, and persons making or selling any patented article for or under them, may give notice to the public that the same is patented, either by fixing thereon the word "patent" or the abbreviation "pat.", together with the number of the patent, or when, from the character of the article, this can not be done, by fixing to it, or to the package wherein one or more of them is contained, a label containing a like notice. In the event of failure so to mark, no damages shall be recovered by the patentee in any action for infringement, except on proof that the infringer was notified of the infringement and continued to infringe thereafter, in which event damages may be recovered only for infringement occurring after such notice. Filing of an action for infringement shall constitute such notice.

§ 288. Action for infringement of a patent containing an invalid claim

Whenever, without deceptive intention, a claim of a patent is invalid, an action may be maintained for the infringement of a claim of the patent which may be valid. The patentee shall recover no costs

unless a disclaimer of the invalid claim has been entered at the Patent and Trademark Office before the commencement of the suit. (Amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

§ 289. Additional remedy for infringement of design patent

Whoever during the term of a patent for a design, without license of the owner, (1) applies the patented design, or any colorable imitation thereof, to any article of manufacture for the purpose of sale, or (2) sells or exposes for sale any article of manufacture to which such design or colorable imitation has been applied shall be liable to the owner to the extent of his total profit, but not less than $250, recoverable in any United States district court having jurisdiction of the parties.

Nothing in this section shall prevent, lessen, or impeach any other remedy which an owner of an infringed patent has under the provisions of this title, but he shall not twice recover the profit made from the infringement.

§ 290. Notice of patent suits

The clerks of the courts of the United States, within one month after the filing of an action under this title shall give notice thereof in writing to the Commissioner, setting forth so far as known the names and addresses of the parties, name of the inventor, and the designating number of the patent upon which the action has been brought. If any other patent is subsequently included in the action he shall give like notice thereof. Within one month after the decision is rendered or a judgment issued the clerk of the court shall give notice thereof to the Commissioner. The Commissioner shall, on receipt of such notices, enter the same in the file of such patent.

§ 291. Interfering patents

The owner of an interfering patent may have relief against the owner of another by civil action, and the court may adjudge the question of the validity of any of the interfering patents, in whole or in part. The provisions of the second paragraph of section 146 of this title shall apply to actions brought under this section.

§ 292. False marking

(a) Whoever, without the consent of the patentee, marks upon, or affixes to, or uses in advertising in connection with anything made,

used, or sold by him, the name or any imitation of the name of the patentee, the patent number, or the words "patent," "patentee," or the like, with the intent of counterfeiting or imitating the mark of the patentee, or of deceiving the public and inducing them to believe that the thing was made or sold by or with the consent of the patentee; or

Whoever marks upon, or affixes to, or uses in advertising in connection with any unpatented article, the word "patent" or any word or number importing the same is patented, for the purpose of deceiving the public; or

Whoever marks upon, or affixes to, or uses in advertising in connection with any article, the words "patent applied for," "patent pending," or any word importing that an application for patent has been made, when no application for patent has been made, or if made, is not pending, for the purpose of deceiving the public—

Shall be fined not more than $500 for every such offense.

(b) Any person may sue for the penalty, in which event one-half shall go to the person suing and the other to the use of the United States.

§ 293. Nonresident patentee; service and notice

Every patentee not residing in the United States may file in the Patent and Trademark Office a written designation stating the name and address of a person residing within the United States on whom may be served process or notice of proceedings affecting the patent or rights thereunder. If the person designated cannot be found at the address given in the last designation, or if no person has been designated, the United States District Court for the District of Columbia shall have jurisdiction and summons shall be served by publication or otherwise as the court directs. The court shall have the same jurisdiction to take any action respecting the patent or rights thereunder that it would have if the patentee were personally within the jurisdiction of the court. (Amended January 2, 1975, Public Law 93–596, sec. 1, 88 Stat. 1949.)

Chapter 35—DEFINITIONS

Sec.

§ 351. Definitions

When used in this part unless the context otherwise indicates—

(a) The term "treaty" means the Patent Cooperation Treaty done at Washington, on June 19, 1970, excluding chapter II thereof.

(b) The term "Regulations", when capitalized, means the Regulations under the treaty excluding part C thereof, done at Washington on the same date as the treaty. The term "regulations", when not capitalized, means the regulations established by the Commissioner under this title.

(c) The term "international application" means an application filed under the treaty.

(d) The term "international application originating in the United States means an international application filed in the Patent Office when it is acting as a Receiving Office under the treaty, irrespective of whether or not the United States has been designated in that international application.

(e) The term "international application designating the United States" means an international application specifying the United States as a country in which a patent is sought, regardless where such international application is filed.

(f) The term "Receiving Office" means a national patent office or intergovernmental organization which receives and processes international applications as prescribed by the treaty and the Regulations.

(g) The term "International Searching Authority" means a national patent office or intergovernmental organization as appointed under the treaty which processes international applications as prescribed by the treaty and the Regulations.

(h) The term "International Bureau" means the international intergovernmental organization which is recognized as the coordinating body under the treaty and the Regulations.

(i) Terms and expressions not defined in this part are to be taken

in the sense indicated by the treaty and the Regulations. (Added November 14, 1975, Public Law 94–131, sec. 1, 89 Stat. 685.)

Note.—Sec. 1 of Public Law 94–131 adding Part IV (§§ 351 *et seq*) took effect on the same day as the entry into force of the Patent Cooperation Treaty with respect to the United States. This effective date was January 24, 1978 (TIAS 8733; 964 O.G. 24). The amendments under Public Law 94–131 apply to international and national applications filed on and after this effective date, even though entitled to the benefit of an earlier filing date, and to patents issued on such applications.

CHAPTER 36—INTERNATIONAL STAGE

SEC.

§ 361. Receiving Office

(a) The Patent Office shall act as a Receiving Office for international applications filed by nationals or residents of the United States. In accordance with any agreement made between the United States and another country, the Patent Office may also act as a Receiving Office for international applications filed by residents or nationals of such country who are entitled to file international applications.

(b) The Patent Office shall perform all acts connected with the discharge of duties required of a Receiving Office, including the collection of international fes and their transmittal to the International Bureau.

(c) International applications filed in the Patent Office shall be in the English language.

(d) The basic fee portion of the international fee, and the transmittal and search fees prescribed under section 376(a) of this part, shall be paid on filing of an international application. Payment of designation fees may be made on filing and shall be made not later than one year from the priority date of the international application. (Added November 14, 1975, Public Law 94–131, sec. 1, 89 Stat. 686.)

§ 362. International Searching Authority

The Patent Office may act as an International Searching Authority with respect to international applications in accordance with the terms and conditions of an agreement which may be concluded with the International Bureau. (Added November 14, 1975, Public Law 94–131, sec. 1, 89 Stat. 686.)

§ 363. International application designating the United States: Effect

An international application designating the United States shall have the effect, from its international filing date under article 11 of the treaty, of a national application for patent regularly filed in the Patent Office except as otherwise provided in section 102(e) of this title. (Added November 14, 1975, Public Law 94–131, sec. 1, 89 Stat. 686.)

§ 364. International stage: Procedure

(a) International applications shall be processed by the Patent Office when acting as a Receiving Office or International Searching Authority, or both, in accordance with the applicable provisions of the treaty, the Regulations, and this title.

(b) An applicant's failure to act within prescribed time limits in connection with requirements pertaining to a pending international application may be excused upon a showing satisfactory to the Commissioner of unavoidable delay, to the extent not precluded by the treaty and the Regulations, and provided the conditions imposed by the treaty and the Regulations regarding the excuse of such failure to act are complied with. (Added November 14, 1975, Public Law 94–131, sec. 1, 89 Stat. 686.)

§ 365. Right of priority; benefit of the filing date of a prior application

(a) In accordance with the conditions and requirements of section 119 of this title, a national application shall be entitled to the right of priority based on a prior filed international application which designated at least one country other than the United States.

(b) In accordance with the conditions and requirement of the first paragraph of section 119 of this title and the treaty and the Regulations, an international application designating the United States shall be entitled to the right of priority based on a prior foreign

application, or a prior international application designating at least one country other than the United States.

(c) In accordance with the conditions and requirements of section 120 of this title, an international application designating the United States shall be entitled to the benefit of the filing date of a prior national application or a prior international application designating the United States, and a national application shall be entitled to the benefit of the filing date of a prior international application designating the United States. If any claim for the benefit of an earlier filing date is based on a prior international application which designated but did not originate in the United States, the Commissioner may require the filing in the Patent Office of a certified copy of such application together with a translation thereof into the English language, if it was filed in another language. (Added November 14, 1975, Public Law 94–131, sec. 1, 89 Stat. 686.)

§ 366. Withdrawn international application

Subject to section 367 of this part, if an international application designating the United States is withdrawn or considered withdrawn, either generally or as to the United States, under the conditions of the treaty and the Regulations, before the applicant has complied with the applicable requirements prescribed by section 371(c) of this part, the designation of the United States shall have no effect and shall be considered as not having been made. However, such international application may serve as the basis for a claim of priority under section 365 (a) and (b) of this part, if it designated a country other than the United States. (Added November 14, 1975, Public Law 94–131, sec. 1, 89 Stat. 687.)

§ 367. Actions of other authorities: Review

(a) Where a Receiving Office other than the Patent Office has refused to accord an international filing date to an international application designating the United States or where it has held such application to be withdrawn either generally or as to the United States, the applicant may request review of the matter by the Commissioner, on compliance with the requirements of and within the time limits specified by the treaty and the Regulations. Such review may result in a determination that such application be considered as pending in the national stage.

(b) The review under subsection (a) of this section, subject to the

same requirements and conditions, may also be requested in those instances where an international application designating the United States is considered withdrawn due to a finding by the International Bureau under article 12(3) of the treaty. (Added November 14, 1975, Public Law 94–131, sec. 1, 89 Stat. 687.)

§ 368. Secrecy of certain inventions; filing international applications in foreign countries

(a) International applications filed in the Patent Office shall be subject to the provisions of chapter 17 of this title.

(b) In accordance with article 27(8) of the treaty, the filing of an international application in a country other than the United States on the invention made in this country shall be considered to constitute the filing of an application in a foreign country within the meaning of chapter 17 of this title, whether or not the United States is designated in that international application.

(c) If a license to file in a foreign country is refused or if an international application is ordered to be kept secret and a permit refused, the Patent Office when acting as a Receiving Office or International Searching Authority, or both, may not disclose the contents of such application to anyone not authorized to receive such disclosure. (Added November 14, 1975, Public Law 94–131, sec. 1, 89 Stat. 687.)

Chapter 37—National Stage

Sec.

§ 371. National stage: Commencement

(a) Receipt from the International Bureau of copies of international applications with amendments to the claims, if any, and international search reports is required in the case of all international applications designating the United States, except those filed in the Patent Office.

(b) Subject to the subsection (f) of this section, the national stage shall commence with the expiration of the applicable time limit under article 22(1) or (2) of the treaty, at which time the applicant

shall have complied with the applicable requirements specified in subsection (c) of this section.

(c) The applicant shall file in the Patent Office—

(1) the national fee prescribed under section 376(a)(4) of this part;

(2) a copy of the international application, unless not required under subsection (a) of this section or already received from the International Bureau, and a verified translation into the English language of the international application, if it was filed in another language;

(3) amendments, if any, to the claims in the international application, made under article 19 of the treaty, unless such amendments have been communicated to the Patent Office by the International Bureau, and a translation into the English language if such amendments were made in another language;

(4) an oath or declaration of the inventor (or other person authorized under chapter 11 of this title) complying with the requirements of section 115 of this title and with regulations prescribed for oaths or declarations of aplicants.

(d) Failure to comply with any of the requirements of subsection (c) of this section, within the time limit provided by article 22(1) or (2) of the treaty shall result in abandonment of the international application.

(e) After an international application has entered the national stage, no patent may be granted or refused thereon before the expiration of the applicable time limit under article 28 of the treaty, except with the express consent of the applicant. The applicant may present amendments to the specification, claims, and drawings of the application after the national stage has commenced.

(f) At the express request of the applicant, the national stage of processing may be commenced at any time at which the application is in order for such purpose and the applicable requirements of subsection (c) of this section have been complied with. (Added November 14, 1975, Public Law 94–131, sec. 1, 89 Stat. 688.)

§ 372. National stage: Requirements and procedure

(a) All questions of substance and, within the scope of the requirements of the treaty and Regulations, procedure in an international application designating the United States shall be determined

as in the case of national applications regularly filed in the Patent Office.

(b) In case of international applications designating but not originating in, the United States—

(1) the Commissioner may cause to be reexamined questions relating to form and contents of the application in accordance with the requirements of the treaty and the Regulations;

(2) the Commissioner may cause the question of unity of invention to be reexamined under section 121 of this title, within the scope of the requiements of the treaty and the Regulations.

(c) Any claim not searched in the international stage in view of a holding, found to be justified by the Commissioner upon review, that the international application did not comply with the requirement for unity of invention under the treaty and the Regulations, shall be considered canceled, unless payment of a special fee is made by the applicant. Such special fee shall be paid with respect to each claim not searched in the international stage and shall be submitted not later than one month after a notice was sent to the applicant informing him that the said holding was deemed to be justified. The payment of the special fee shall not prevent the Commissioner from requiring that the international application be restricted to one of the inventions claimed therein under section 121 of this title, and within the scope of the requirements of the treaty and the Regulations. (Added November 14, 1975, Public Law 94–131, sec. 1, 89 Stat. 689.)

§ 373. Improper applicant

An international application designating the United States, shall not be accepted by the Patent Office for the national stage if it was filed by anyone not qualified under chapter 11 of this title to be an applicant for the purpose of filing a national application in the United States. Such international applications shall not serve as the basis for the benefit of an earlier filing date under section 120 of this title in a subsequently filed application, but may serve as the basis for a claim of the right of priority under section 119 of this title, if the United States was not the sole country designated in such international application. (Added November 14, 1975, Public Law 94–131, sec. 1, 89 Stat. 689.)

§ 374. Publication of international application: Effect

The publication under the treaty of an international application shall confer no rights and shall have no effect under this title other than that of a printed publication. (Added November 14, 1975, Public Law 94–131, sec. 1, 89 Stat. 689.)

§ 375. Patent issued on international application: Effect

(a) A patent may be issued by the Commissioner based on a international application designating the United States, in accordance with the provisions of this title. Subject to section 102(e) of this title, such patent shall have the force and effect of a patent issued on a national application filed under the provisions of chapter 11 of this title.

(b) Where due to an incorrect translation the scope of a patent granted on an international application designating the United States, which was not originally filed in the English language, exceeds the scope of the international application in its original language, a court of competent jurisdiction may retroactively limit the scope of the patent, by declaring it unenforceable to the extent that it exceeds the scope of the international application in its original language. (Added November 14, 1975, Public Law 94–131, sec. 1, 89 Stat. 689.)

§ 376. Fees

(a) The required payment of the international fee, which amount is specified in the Regulations, shall be paid in United States currency. The Patent Office may also charge the following fees:

(1) A transmittal fee (see section 361(d));

(2) A search fee (see section 361(d));

(3) A supplemental search fee (to be paid when required);

(4) A national fee (see section 371(c));

(5) A special fee (to be paid when required; see section 372(c));

(6) Such other fees as established by the Commissioner.

(b) The amounts of fees specified in subsection (a) of this section, except the international fee, shall be prescribed by the Commissioner. He may refund any sum paid by mistake or in excess of the fees so specified, or if required under the treaty and the Regulations. The Commissioner may also refund any part of

the search fee, where he determines such refund to be warranted. (Added November 14, 1975, Public Law 94–131, sec. 1, 89 Stat. 690.)

NOTES OF OTHER STATUTES

United States Code

Some sections, or portions of sections, of other titles of the United States Code, of the District of Columbia Code, and of the Canal Zone Code, relating to patents or to the Patent and Trademark Office, are reprinted or noted here for convenience. This collection does not purport to be complete.

Note (1).—The terms "Patent Office" and "Commissioner of Patents" should be understood as meaning "Patent and Trademark Office" and "Commissioner of Patents and Trademarks", respectively. (Public Law 93-596, sec. 3, Jan. 2, 1975, 88 Stat. 1949.)

Note (2).—Where only part of a section is reprinted, the Public Law and Statutes at Large citations refer only to the reprinted part. Thus, citations to sources of omitted parts are not included.

Note (3).—Where possible, the reprinted sections are organized under headings which correspond to the chapter headings of Title 35. (Because of this organization there are some gaps in the numbering sequence.) For access by Title and Section numbers of the United States Code, see pages 118 and 119, *infra.*

CONTENTS

I. THE PATENT AND TRADEMARK OFFICE

A. Establishment, Officers and Employees

15 U.S.C. 1511. Bureaus in Department. The following named bureaus, administrations, services, offices, and programs of the public service, and all that pertains thereto, shall be under the jurisdiction and subject to the control of the Secretary of Commerce: * * *

(e) Patent and Trademark Office; * * * (As amended, Public Law 93–498, Oct. 29, 1974, 88 Stat. 1549; Public Law 93–596, Jan. 2, 1975, 88 Stat. 1949.)

NOTE.—By executive order, the Department of Commerce also has special responsibility in respect of patent protection abroad of inventions resulting from research financed by the government. (Executive Order No. 9865, June 16, 1947, 12 Federal Register 3907; U.S. Code Congressional Service, 80th Cong., 1st sess., p. 2028.)

5 U.S.C. 3104. Employment of specially qualified scientific and professional personnel. (a) The head of an agency named below may establish scientific or professional positions to carry out the research and development functions of his agency which require the services of specially qualified personnel within the following limits: * * *

(4) Department of Commerce—not more than 30, of which at least 5 are for the United States Patent Office in its examining and related activities. ***(Public Law 89–554. Sept. 6, 1966, 80 Stat. 415.)

5 U.S.C. 3325. Appointments to scientific and professional positions. (a) Positions established under section 3104 of this title are in the competitive service. However, appointments to the positions are made without competitive examination on approval of the qualifications of the proposed appointee by the Civil Service Commission or its designee for this purpose. * * * (Public Law 89–554, Sept. 6, 1966, 80 Stat. 423.)

5 U.S.C. 5102. Definitions; application. * * *

(c) This chapter (ch 51—Classification) does not apply to * * *

(23) examiners-in-chief and designated examiners-in-chief in the Patent Office, Department of Commerce; * * *

(Public Law 89–554, Sept. 6, 1966, 80 Stat. 444.)

5 U.S.C. 5316. Positions at level V. Level V of the Executive Schedule applies to the following positions * * * : * * *

(48) Commissioner of Patents, Department of Commerce. * * *

(Public Law 89–554, Sept. 6, 1966, 80 Stat. 463.)

* * * * * * *

B. Restrictions on Employees; Bribery * * *

18 U.S.C. 201. Bribery of public officials and witnesses. (a) For the purpose of this section:

"public official" means Member of Congress, the Delegate from the District of Columbia, or Resident Commissioner, either before or after

he has qualified, or an officer or employee or person acting for or on behalf of the United States, or any department, agency or branch of Government thereof, including the District of Columbia, in any official function, under or by authority of any such department, agency, or branch of Government or a juror; and

"person who has been selected to be a public official" means any person who has been nominated or appointed to be a public official, or has been officially informed that he will be so nominated or appointed; and

"official act" means any decision or action on any question, matter, cause, suit, proceeding or controversy, which may at any time be pending, or which may by law be brought before any public official, in his official capacity, or in his place of trust or profit.

(b) Whoever, directly or indirectly, corruptly gives, offers or promises anything of value to any public official or person who has been selected to be a public official, or offers or promises any public official or any person who has been selected to be a public official to give anything of value to any other person or entity, with intent

(1) to influence any official act; or

(2) to influence such public official or person who has been selected to be a public official to commit or aid in committing, or collude in or allow, any fraud, or make opportunity for the commission of any fraud, on the United States; or

(3) to induce such public official or such person who has been selected to be a public official to do or omit to do any act in violation of his lawful duty, or

(c) Whoever, being a public official or person selected to be a public official, directly or indirectly, corruptly asks, demands, exacts, solicits, seeks, accepts, receives, or agrees to receive anything of value for himself or for any other person or entity, in return for:

(1) being influenced in his performance of any official act; or

(2) being influenced to commit or aid in committing, or to collude in, or allow, any fraud, or make opportunity for the commission of any fraud, on the United States; or

(3) being induced to do or omit to do any act in violation of his official duty; or

(d) Whoever, directly or indirectly, corruptly gives, offers, or promises anything of value to any person, or offers or promises such person to give anything of value to any other person or entity, with intent to influence the testimony under oath or affirmation of such first-mentioned person as a witness upon a trial, hearing, or other proceeding, before any court, any committee of either House or both Houses of Congress, or any agency, commission, or officer authorized by the laws of the United States to hear evidence or take testimony, or with intent to influence such person to absent himself therefrom; or

(e) Whoever, directly or indirectly, corruptly asks, demands, exacts,

solicits, seeks, accepts, receives, or agrees to receive anything of value for himself or for any other person or entity in return for being influenced in his testimony under oath or affirmation as a witness upon any such trial, hearing or other proceeding, or in return for absenting himself therefrom—

Shall be fined not more than $20,000 or three times the monetary equivalent of the thing of value, whichever is greater, or imprisoned for not more than fifteen years, or both, and may be disqualified from holding any office of honor, trust, or profit under the United States.

(f) Whoever, otherwise than as provided by law for the proper discharge of official duty, directly or indirectly gives, offers, or promises anything of value to any public official, former public official, or person selected to be a public official, for or because of any official act performed or to be performed by such public official, former public official, or person selected to be a public official; or

(g) Whoever, being a public official, former public official, or person selected to be a public official, otherwise than as provided by law for the proper discharge of official duty, directly or indirectly asks, demands, exacts, solicits, seeks, accepts, receives, or agrees to receive anything of value for himself for or because of any official act performed or to be performed by him; or

(h) Whoever, directly or indirectly, gives, offers, or promises anything of value to any person, for or because of the testimony under oath or affirmation given or to be given by such person as a witness upon a trial, hearing, or other proceeding before any court, any committee of either House or both Houses of Congress, or any agency, commission, or officer authorized by the laws of the United States to hear evidence or take testimony, or for or because of his absence therefrom; or

(i) Whoever, directly or indirectly, asks, demands, exacts, solicits, seeks, accepts, receives, or agrees to receive anything of value for himself for or because of the testimony under oath or affirmation given or to be given by him as a witness upon any such trial, hearing, or other proceeding, or for or because of his absence therefrom—

Shall be fined not more than $10,000 or imprisoned for not more than two years, or both.

(j) Subsections (d), (e), (h), and (i) shall not be construed to prohibit the payment or receipt of witness fees provided by law, or the payment, by the party upon whose behalf a witness is called and receipt by a witness, of the reasonable cost of travel and subsistence incurred and the reasonable value of time lost in attendance at any such trial, hearing, or proceeding, or in the case of expert witnesses, involving a technical or professional opinion, a reasonable fee for times spent in the preparation of such opinion, and in appearing and testifying.

(k) The offenses and penalties prescribed in this section are separate from and in addition to those prescribed in sections 1503, 1504, and 1505 of this title. (Added Public Law 87–849, October 23, 1962, 76 Stat. 1119; amended Public Law 91–405, Sept. 22, 1970, 84 Stat. 853.)

NOTE.—See also Executive Order No. 11222, "Standards of Ethical Conduct for Government Officers and Employees", published May 8, 1965, 30 Federal Register 6469.

18 U.S.C. 203. Compensation to Members of Congress, officers, and others in matters affecting the Government. (a) Whoever, otherwise than is provided by law for the proper discharge of official duties, directly or indirectly receives or agrees to receive, or asks, demands, solicits, or seeks, any compensation for any services rendered or to be rendered either by himself or another—

(1) at a time when he is a Member of Congress, Member of Congress Elect, Delegate from the District of Columbia, Delegate Elect from the District of Columbia, Resident Commissioner, or Resident Commissioner Elect; or

(2) at a time when he is an officer or employee of the United States in the executive, legislative, or judicial branch of the Government, or in any agency of the United States, including the District of Columbia,

in relation to any proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter in which the United States is a party or has a direct and substantial interest, before any department, agency, court-martial, officer, or any civil, military, or naval commission, or

(b) Whoever, knowingly, otherwise than as provided by law for the proper discharge of official duties, directly or indirectly gives, promises, or offers any compensation for any such services rendered or to be rendered at a time when the person to whom the compensation is given, promised, or offered, is or was such a Member, Delegate, Commissioner, officer, or employee—

Shall be fined not more than $10,000 or imprisoned for not more than two years, or both; and shall be incapable of holding any office of honor, trust, or profit under the United States.

(c) A special Government employee shall be subject to subsection (a) only in relation to a particular matter involving a specific party or parties (1) in which he has at any time participated personally and substantially as a Government employee or as a special Government employee through decision, approval, disapproval, recommendation, the rendering of advice, investigation or otherwise, or (2) which is pending in the department or agency of the Government in which he is serving: *Provided*, That clause (2) shall not apply in the case of a special Government employee who has served in such department or agency no more than sixty days during the immediately preceding period of three hundred and sixty-five consecutive days. (Added Public Law 87–849, October 23, 1962, 76 Stat. 1121; amended Public Law 91–405, Sept. 22, 1970, 84 Stat. 853.)

18 U.S.C. 205. Activities of officers and employees in claims against and other matters affecting the Government. Whoever, being an officer or employee of the United States in the executive, legislative, or judicial branch of the Government or in any agency of the United States, including

the District of Columbia, otherwise than in the proper discharge of his official duties—

(1) acts as agent or attorney for prosecuting any claim against the United States, or receives any gratuity, or any share of or interest in any such claim in consideration of assistance in the prosecution of such claim, or

(2) acts as agent or attorney for anyone before any department, agency, court, court-martial, officer, or any civil, military, or naval commission in connection with any proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter in which the United States is a party or has a direct and substantial interest—

Shall be fined not more than $10,000 or imprisoned for not more than two years, or both.

A special Government employee shall be subject to the preceding paragraphs only in relation to a particular matter involving a specific party or parties (1) in which he has at any time participated personally and substantially as a Government employee or as a special Government employee through decision, approval, disapproval, recommendation, the rendering of advice, investigation or otherwise, or (2) which is pending in the department or agency of the Government in which he is serving: *Provided*, That clause (2) shall not apply in the case of a special Government employee who has served in such department or agency no more than sixty days during the immediately preceding period of three hundred and sixty-five consecutive days.

Nothing herein prevents an officer or employee, if not inconsistent with the faithful performance of his duties, from acting without compensation as agent or attorney for any person who is the subject of disciplinary, loyalty, or other personnel administration proceedings in connection with those proceedings.

Nothing herein or in section 203 prevents an officer or employee, including a special Government employee, from acting, with or without compensation, as agent or attorney for his parents, spouse, child, or any person for whom, or for any estate for which, he is serving as guardian, executor, administrator, trustee, or other personal fiduciary except in those matters in which he has participated personally and substantially as a Government employee, through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, or which are the subject of his official responsibility, provided that the Government official responsible for appointment to his position approves.

Nothing herein or in section 203 prevents a special Government employee from acting as agent or attorney for another person in the performance of work under a grant by, or a contract with or for the benefit of, the United States provided that the head of the department or agency concerned with the grant or contract shall certify in writing that the national interest so requires.

Such certification shall be published in the Federal Register.

Nothing herein prevents an officer or employee from giving testimony under oath or from making statements required to be made under penalty for

perjury or contempt. (Added Public Law 87–849, October 23, 1962, 76 Stat. 1122.)

18 U.S.C. 206. Exemption of retired officers of the uniformed services. Sections 203 and 205 of this title shall not apply to a retired officer of the uniformed services of the United States while not on active duty and not otherwise an officer or employee of the United States, or to any person specially excepted by Act of Congress. (Added Public Law 87–849, October 23, 1962, 76 Stat. 1123.)

18. U.S.C. 208. Acts affecting a personal financial interest. (a) Except as permitted by subsection (b) hereof, whoever, being an officer or employee of the executive branch of the United States Government, of any independent agency of the United States, a Federal Reserve bank director, officer or employee, or of the District of Columbia, including a special Government employee, participates personally and substantially as a Government officer or employee, through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, in a judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter in which, to his knowledge, he, his spouse, minor child, partner, organization in which he is serving as officer, director, trustee, partner or employee, or any person or organization with whom he is negotiating or has any arrangement concerning propsective employment, has a financial interest—

Shall be fined not more than $10,000, or imprisoned not more than two years, or both.

(b) Subsection (a) hereof shall not apply (1) if the officer or employee first advises the Government official responsible for appointment to his position of the nature and circumstances of the judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter and makes full disclosure of the financial interest and receives in advance a written determination made by such official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such officer or employee, or (2) if, by general rule or regulation published in the Federal Register, the financial interest has been exempted from the requirements of clause (1) hereof as being too remote or too inconsequential to affect the integrity of Government officers' or employees' services. In the case of class A and B directors of Federal Reserve banks, the Board of Governors of the Federal Reserve System shall be the government official responsible for appointment. (Added Public Law 87–849, October 23, 1962, 76 Stat. 1124; Amended Public Law 95–188, November 16, 1977, 91 Stat. 1388.)

18 U.S.C. 209. Salary of Government officials and employees payable only by United States. (a) Whoever receives any salary, or any contribution to or supplementation of salary, as compensation for his

services as an officer or employee of the executive branch of the United States Government, of any independent agency of the United States, or of the District of Columbia, from any source other than the Government of the United States, except as may be contributed out of the treasury of any State, county, or municipality; or

Whoever, whether an individual, partnership, association, corporation, or other organization pays, or makes any contribution to, or in any way supplements the salary of, any such officer or employee under circumstances which would make its receipt a violation of this subsection—

Shall be fined not more than $5,000 or imprisoned not more than one year, or both.

(b) Nothing herein prevents an officer or employee of the executive branch of the United States Government, or of any independent agency of the United States, or of the District of Columbia, from continuing to participate in a bona fide pension, retirement, group life, health or accident insurance, profit-sharing stock bonus, or other employee welfare or benefit plan maintained by a former employer.

(c) This section does not apply to a special Government employee or to an officer or employee of the Government serving without compensation, whether or not he is a special Government employee, or to any person paying, contributing to, or supplementing his salary as such.

(d) This section does not prohibit payment or acceptance of contributions, awards, or other expenses under the terms of the Government Employees Training Act. (Public Law 85–507, 72 Stat. 327; 5 U.S.C. 2301–2319, July 7, 1958.) (Added Public Law 87–849, Oct. 23, 1962, 76 Stat. 1125.)

* * * * * * *

C. Accounts

31 U.S.C. 72. **Same; settlement of accounts.** * * *

Sixth. Said (General Accounting) office shall receive and examine all accounts of salaries and incidental expenses of the office of the Secretary of Commerce, and of all bureaus and offices under his direction, all accounts relating to * * * Patents * * * and certify the balances arising thereon to the Secretary of Commerce. * * * (As amended, Public Law 91–375, Aug. 12, 1970, 84 Stat. 782.)

31 U.S.C. 725e. **Permanent Appropriations Repeal Act; appropriations repealed.** (a) * * * (R)eceipts theretofore authorized to be credited to the appropriation accounts appearing on the books of the Government and listed in subsection (b) of this section shall be deposited into the Treasury of the United States as miscellaneous receipts, and there are authorized to be appropriated from the general fund of the Treasury such amounts as may be necessary for the Patent Office * * *

(b)(1) Salaries and expenses, Patent Office (6s 289). (June 26, 1934, ch. 756, 73d Cong., 48 Stat. 1228.)

* * * * * * *

II. PROCEEDINGS IN THE PATENT AND TRADEMARK OFFICE

A. HOLIDAYS

5 U.S.C 6103. **Holidays.** (a) The following are legal public holidays:

New Year's Day, January 1.
Washington's Birthday, the third Monday in February.
Memorial Day, the last Monday in May.
Independence Day, July 4.
Labor Day, the first Monday in September.
Columbus Day, the second Monday in October
Veterans Day, the fourth Monday in October.
Thanksgiving Day, the fourth Thursday in November.
Christmas Day, December 25.

(b) For the purpose of statutes relating to pay and leave of employees, with respect to a legal public holiday and any other day declared to be a holiday by Federal statute or Executive order, the following rules apply:

(1) Instead of a holiday that occurs on a Saturday, the Friday immediately before is a legal public holiday for—

(A) Employees whose basic workweek is Monday through Friday; and

(B) the purpose of section 6309 (*Leave of Absence, etc.*) of this title.

(2) Instead of a holiday that occurs on a regular weekly nonworkday of an employee whose basic workweek is other than Monday through Friday, except the regular weekly nonworkday administratively scheduled for the employee instead of Sunday, the workday immediately before that regular weekly nonworkday is a legal public holiday for the employee.

This subsection, except subparagraph (B) of paragraph (1), does not apply to an employee whose basic workweek is Monday through Saturday.

(c) January 20 of each fourth year after 1965, Inauguration Day, is a legal public holiday for the purpose of statutes relating to pay and leave of employees as defined by section 2105 of this title and individuals employed by the government of the District of Columbia employed in the District of Columbia, Montgomery and Prince Georges Counties in Maryland, Arlington and Fairfax Counties in Virginia, and the cities of Alexandria and Falls Church in Virginia. When January 20 of any fourth year after 1965 falls on Sunday, the next succeeding day selected for the public observance of the inauguration of the President is a legal public holiday for the purpose of this subsection. (Public Law 89–554, Sept. 6, 1966, 80 Stat. 515; amended Public Law 90–363, June 28, 1968, 82 Stat. 250; Public Law 94–97, September 18, 1975, 89 Stat. 479.)

District of Columbia Code

Section 28-2701. Holidays designated—Time for performing acts in-

tended. The following days in each year, namely the first day of January, commonly called New Year's Day; the fifteenth day of January, commonly called Dr. King's Birthday; the twenty-second day of February known as Washington's Birthday, the Fourth of July; the thirtieth day of May, commonly called Decoration Day; the first Monday in September, known as Labor Day; the twenty-fifth day of December, commonly called Christmas Day; every Saturday, after twelve o'clock noon; any day appointed or recommended by the President of the United States as a day of public feasting or thanksgiving, and the day of the inauguration of the President, in every fourth year are holidays in the District for all purposes. When a day set apart as a legal holiday falls on Sunday the next succeeding day is a holiday. In such cases, and when a Sunday and a holiday fall on successive days, all commercial paper falling due on any of those days shall, for all purposes of presenting for payment or acceptance, be deemed to mature and be presentable for payment or acceptance on the next secular business day succeeding. Every Saturday is a holiday in the District for (1) every bank institution having an office or banking house located within the District, (2) every Federal savings and loan association whose main office is in the District, and (3) every building association, building and loan association, or savings and loan association, incorporated or unincorporated, organized and operating under the laws of and having an office located within the District. An act which would otherwise be required, authorized, or permitted to be performed on Saturday in the District at the office of banking house of, or by, any such bank or bank institution, Federal savings and loan association, building association, building and loan association, or savings and loan association, if Saturday were not a holiday, shall or may be so performed on the next succeeding business day, and liability or loss of rights of any kind may not result from such delay. (Public Law 88–509, Aug. 30, 1964, 78 Stat. 671; amended D.C. Law 1–11, August 1, 1975.)

NOTE.—As to the observance of certain holidays on Mondays, see 5 U.S.C. 6103(a), *supra*, p. 69. The 1968 amendment of that act (Public Law 90–363, June 28, 1968, 82 Stat. 251) provided:

" * * * (b) Any reference in a law of the United States (in effect on the effective date of the amendment made by subsection (a) of this section) to the observance of a legal public holiday on a day other than the day prescribed for the observance of such holiday by section 6103(a) of title 5, United States Code, as amended by subsection (a), shall on and after such effective date be considered a reference to the day for the observance of such holiday prescribed in such amended section 6103(a) * * * "

* * * * * * *

B. False Declaration

18 U.S.C. 1001. Statements or entries generally. (Text is reproduced in note under § 25 of Title 35, *supra* p. 13.)

* * * * * * *

III. PRACTICE BEFORE THE PATENT AND TRADEMARK OFFICE

A. Regulations for Agents and Attorneys

5 U.S.C. 500. Administrative practice; general provisions. * * *

(b) An individual who is a member in good standing of the bar of the highest court of a State may represent a person before an agency on filing with the agency a written declaration that he is currently qualified as provided by this subsection and is authorized to represent the particular person in whose behalf he acts. * * *

(e) Subsections (b)–(d) of this section do not apply to practice before the Patent Office with respect to patent matters that continue to be covered by chapter 3 (sections 31–33) of title 35. * * * (Added Public Law 90–83, Sept. 11, 1967, 81 Stat. 195.)

18 U.S.C. 207. Disqualification of former officers and employees in matters connected with former duties or official responsibilities; disqualification of partners. (a) Whoever, having been an officer or employee of the executive branch of the United States Government, of any independent agency of the United States, or of the District of Columbia, including a special Government employee, after his employment has ceased, knowingly acts as agent or attorney for anyone other than the United States in connection with any judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter involving a specific party or parties in which the United States is a party or has a direct and substantial interest and in which he participated personally and substantially as an officer or employee, through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, while so employed, or

(b) Whoever, having been so employed, within one year after his employment has ceased, appears personally before any court or department or agency of the Government as agent, or attorney for, anyone other than the United States in connection with any proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter involving a specific party or parties in which the United States is a party or directly and substantially interested, and which was under his official responsibility as an officer or employee of the Government at any time within a period of one year prior to the termination of such responsibility—

Shall be fined not more than $10,000, or imprisoned for not more than

two years, or both: *Provided*, That nothing in subsection (a) or (b) prevents a former officer or employee, including a former special Government employee, with outstanding scientific or technological qualifications from acting as attorney or agent or appearing personally in connection with a particular matter in a scientific or technological field if the head of the department or agency concerned with the matter shall make a certification in writing, published in the Federal Register, that the national interest would be served by such action or appearance by the former officer or employee.

(c) Whoever, being a partner of an officer or employee of the executive branch of the United States Government, of any independent agency of the United States, or of the District of Columbia, including a special Government employee, acts as agent or attorney for anyone other than the United States, in connection with any judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter in which the United States is a party or has a direct and substantial interest and in which such officer or employee of the Government or special Government employee participates or has participated personally and substantially as a Government employee through decision, approval, disapproval, recommendation, the rendering of advice, investigation or otherwise, or which is the subject of his official responsibility—

Shall be fined not more than $5,000, or imprisoned not more than one year, or both.

A partner of a present or former officer or employee of the executive branch of the United States Government, of any independent agency of the United States, or of the District of Columbia or of a present or former special Government employee shall as such be subject to the provisions of sections 203, 205, and 207 of this title only as expressly provided in subsection (c) of this section. (Added Public Law 87–849, October 23, 1962, 76 Stat. 1123.)

* * * * * * *

B. Advertising, Restrictions

5 U.S.C. 501. Advertising practice; restrictions. An individual, firm, or corporation practicing before an agency of the United States may not use the name of a Member of either House of Congress or of an individual in the service of the United States in advertising the business. (Public Law 89–554, Sept. 6, 1966, 80 Stat. 381.)

* * * * * * *

C. Small-Business Concerns

15 U.S.C. 638. Research and development—Declaration of policy. * * *

(d)(1) The Administrator (Small Business Administration) is authorized to consult with representatives of small-business concerns with a view to

assisting and encouraging such firms to undertake joint programs for research and development. * * * Such joint programs may, among other things, include the following purposes: * * *

(E) to prosecute applications for patents and render patent services for participating members; and

(F) to negotiate and grant licenses under patents held under the joint program, and to establish corporations designed to exploit particular patents obtained by it. * * *

(As amended, Public Law 85–536, July 18, 1958, 72 Stat. 392.)

* * * * * * *

IV. PATENT FEES

31 U.S.C. 725r. **Permanent Appropriations Repeal Act; fees deposited in Treasury.** * * * (M)oneys received as Patent Office fees * * * and held in the official checking accounts of disbursing officers, shall be deposited in the Treasury of the United States to appropriately designated trust-fund receipt accounts and shall be available for refunds, * * * (June 26, 1934, ch. 756, 73d Cong., 48 Stat. 1232.)

* * * * * * *

X. PATENTABILITY OF INVENTIONS; DEFINITIONS

Territorial Scope of United Sates Patents

48 U.S.C. 734. **United States laws extended to Puerto Rico,** * * * The statutory laws of the United States not locally inapplicable, except as hereinbefore or hereinafter otherwise provided, shall have the same force and effect in Puerto Rico as in the United States, * * * (Mar. 2, 1917, ch. 145, 64th Cong., 39 Stat 954; amended as to spelling, May 17, 1932, ch. 190, 72d Cong., 47 Stat. 158.)

48 U.S.C. 1405q. * * * **patent, trade-mark, and copyright laws extended to Virgin Islands** * * * The laws of the United States relating to patents, trade-marks, and copyrights, and to the enforcement of rights arising thereunder, shall have the same force and effect in the Virgin Islands as in the continental United States, and the District Court of the Virgin Islands shall have the same jurisdiction in causes arising under such laws as is exercised by United States district courts. (June 22, 1936, ch. 699, 74th Cong., 49 Stat. 1811.)

48 U.S.C. 1574(c). **Legislative powers and activities. Applicability of laws and ordinances; amendment or repeal (Virgin Islands)** * * *

(c) The laws of the United States applicable to the Virgin Islands on July 22, 1954, including laws made applicable to the Virgin Islands by or pursuant to the provisions of sections 1405–1405s * * * of this title * * * shall, to the extent they are not inconsistent with this chapter, sections 104 and 111 of Title 21, and section 3350(c) of Title 26, continue in force and effect until otherwise provided by the Congress. * * * (Public Law 517, 83d Cong., July 22, 1954, 68 Stat. 501.)

48 U.S.C. 1421c. Laws in force (Guam). (a) The laws of Guam in force on August 1, 1950, except as amended by this chapter, are hereby continued in force, subject to modification or repeal by the Congress of the United States or the Legislature of Guam, and all laws of Guam inconsistent with the provisions of this chapter are repealed to the extent of such inconsistency.

(b) Repealed. (Public Law 630, 81st Cong., Aug. 1, 1950; 64 Stat. 390; subsection (b) repealed Public Law 90–497, September 11, 1968, 82 Stat. 847.)

NOTE.—See 35 U.S.C. 100(c), *supra*, p. 18.

Canal Zone Code

Act June 19, 1934, ch. 667, 48 Stat. 1122, enacted the "Canal Zone Code" to establish conclusively and be deemed to embrace all the permanent laws relating to or applying in the Canal Zone in force on date of enactment of Code.

Public Law 87–845, approved October 18, 1962, revises and codifies the general and permanent laws relating to and in force in the Canal Zone and enacts the Canal Zone Code.

Title 4—Civil Laws; chapter 19, Personal Property; sub-chapter III; sections 441–446 relate to products of the mind, and refer to inventions or designs, copyrights, etc.

Subchapter IV—Patents, Trademarks and Copyrights, section 471, provides:

> "§ 471. Laws extended to the Canal Zone.
>
> "The patent, trademark, and copyright laws of the United States have the same force and effect in the Canal Zone as in the continental United States, and the district court has the same jurisdiction in actions arising under those laws as is exercised by the United States district courts."

* * * * * * *

XI. EXAMINATION OF APPLICATIONS

INFORMATION ON PATENTS FOR DRUGS

21 U.S.C. 372. Examinations and Investigations. * * *

(d) The Secretary (of Health, Education, and Welfare) is authorized and directed, upon request from the Commissioner of Patents, to furnish full and complete information with respect to such questions relating to drugs as the Commissioner may submit concerning any patent application. The Secretary is further authorized, upon receipt of any such request, to conduct

or cause to be conducted, such research as may be required. * * * (Public Law 87–782, October 10, 1962, 76 Stat. 796.)

* * * * * * *

XIII. REVIEW OF PATENT AND TRADEMARK OFFICE DECISION

A. Appeal to Court of Customs and Patent Appeals

28 U.S.C. 1542. Patent Office decisions. The Court of Customs and Patent Appeals shall have jurisdiction of appeals from decisions of:

(1) the Board of Appeals and the Board of Interference Examiners of the Patent Office as to patent applications and interferences, at the instance of an applicant for a patent or any party to a patent interference, and such appeal by an applicant shall waive his right to proceed under section 63 of Title 35; and

(2) the Commissioner of Patents as to trade-mark applications and proceedings as provided in section 1071 of Title 15. (June 25, 1948, ch. 646, 62 Stat. 942; May 24, 1949, ch. 139, 81st Cong., 63 Stat. 102.)

* * * * * * *

B. Court of Customs and Patent Apeals; Establishment, Judges and Officers

28 U.S.C. 211. Appointment and number of judges. The President shall appoint, by and with the advice and consent of the Senate, a chief judge and four associate judges who shall constitute a court of record known as the United States Court of Customs and Patent Appeals. Such court is hereby declared to be a court established under article III of the Constitution of the United States. (June 25, 1948, ch. 646, 62 Stat. 899; amended Public Law 85–755, August 25, 1958, 72 Stat. 848.)

28 U.S.C. 212. Precedence of judges. The chief judge of the Court of Customs and Patent Appeals shall have precedence and preside at any session of the court which he attends.

The associate judges shall have precedence and preside according to the seniority of their commissions. Judges whose commissions bear the same date shall have precedence according to seniority in age. (June 25, 1948, ch. 646, 62 Stat. 899.)

28 U.S.C. 213. Tenure and salaries of judges. Judges of the Court of Customs and Patent Appeals shall hold office during good behavior. Each shall receive a salary at an annual rate determined under section 225 of the Federal Salary Act of 1967 (2 U.S.C. 351–361), as adjusted by section 461 of this title. (June 25, 1948, ch. 646, 62 Stat. 899; amended, Public Law 94–82, Aug. 9, 1975, 89 Stat. 422.)

28 U.S.C. 214. Sessions. The Court of Customs and Patent Appeals

may hold court at such times and places as it may fix by rule. (June 25, 1948, ch. 646, 62 Stat. 899.)

28 U.S.C. 215. **Quorum.** Three judges of the Court of Customs and Patent Appeals constitute a quorum. The concurrence of three judges is necessary to any decision. (June 25, 1948, ch. 646, 62 Stat. 899.)

28 U.S.C. 831. **Clerk and employees.** The Court of Customs and Patent Appeals may appoint a clerk and such assistant clerks, stenographic law clerks, clerical assistants and other employees as may be necessary, all of whom shall be subject to removal by the court.

The Clerk shall pay into the Treasury all fees, costs and other moneys collected by him. He shall maintain an office at the seat of government. (June 25, 1948, ch. 646, 62 Stat. 924.)

28 U.S.C. 832. **Marshal.** The Court of Customs and Patent Appeals may appoint a marshal who shall serve within the District of Columbia and shall be subject to removal by the court.

He shall attend the court at its sessions, and shall serve and execute all process and orders issuing from it. * * * (June 25, 1948, ch. 646, 62 Stat. 924.)

28 U.S.C. 833. **Reporter.** (a) The Court of Customs and Patent Appeals may appoint a reporter who shall be subject to removal by the court.

(b) The reporter shall prepare and transmit: * * *

(2) To the Commissioner of Patents, weekly, for publication, copies of all opinions relating to patent and trade-mark appeals rendered by the court.

(c) The reporter also shall compile and publish, at least once a year, in such manner as the court directs, all opinions rendered by the court during the year, together with necessary digests and indexes as the court directs. (June 25, 1948, ch. 646, 62 Stat. 925.)

28 U.S.C. 834. **Bailiffs and messengers.** The Court of Customs and Patent Appeals may appoint necessary bailiffs and messengers who shall be subject to removal by the court.

Each bailiff shall attend the court, preserve order, and perform such other necessary duties as the court directs. (June 25, 1948, ch. 646. 62 Stat 925.)

* * * * * * *

C. Same—Assignment of Judges to and From Other Courts

28 U.S.C. 291. Circuit judges. * * *

(b) The Chief Justice of the United States may designate and assign temporarily any circuit judge to serve as a judge of the Court of Claims or the Court of Customs and Patent Appeals upon presentation to him of a certificate of necessity by the chief judge of the court in which the need arises. * * * (As amended, Public Law 85–755, Aug. 25, 1958, 72 Stat. 848.)

28 U.S.C. 292. District judges. * * *

(e) The Chief Justice of the United States may designate and assign tem-

porarily any district judge to serve as a judge of the Court of Claims, the Court of Customs and Patent Appeals or the Customs Court upon presentation to him of a certificate of necessity by the chief judge of the court in which the need arises. (As amended, Public Law 85–755, Aug. 25, 1958, 72 Stat. 848; relettered Public Law 91–358, July 29, 1970, 84 Stat. 591.)

28 U.S.C. 293. Judges of other courts. (a) The Chief Justice of the United States may designate and assign temporarily any judge of the Court of Claims or the Court of Customs and Patent Appeals to serve, respectively, as a judge of the Court of Customs and Patent Appeals or the Court of Claims upon presentation of a certificate of necessity by the chief judge of the court wherein the need arises, or to perform judicial duties in any circuit, either in a court of appeals or district court, upon presentation of a certificate of necessity by the chief judge or circuit justice of the circuit wherein the need arises. * * * (As amended, Public Law 85–755, Aug. 25, 1958, 72 Stat. 848.)

* * * * * * *

D. Same—Fees

28 U.S.C. 1926. Court of Customs and Patent Appeals. Fees and costs in the Court of Customs and Patent Appeals shall be fixed by a table of fees adopted by such court and approved by the Supreme Court. The fees and costs so fixed shall not, with respect to any item, exceed the fees and costs charged in the Supreme Court, and shall be accounted for and paid over to the Treasury. (June 25, 1948, ch. 646, 62 Stat. 957.)

* * * * * * *

E. Same—Copy of Opinion to Commissioner of Patents and Trademarks

28 U.S.C. 216. Opinions. The Court of Customs and Patent Appeals, on each appeal from a Patent Office decision, shall file a written opinion as part of the record and send a certified copy to the Commissioner of Patents who shall record it in the Patent Office. (June 25, 1948, ch. 646, 62 Stat. 928.)

* * * * * * *

F. Review by Supreme Court

28 U.S.C. 1256. Court of Customs and Patent Appeals; certiorari. Cases in the Court of Customs and Patent Appeals may be reviewd by the Supreme Court by writ of certiorari. (June 25, 1948, ch. 646, 62 Stat. 928.)

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XV. PLANTS

Plant Variety Protection Act

The "Plant Variety Protection Act", protecting novel varieties of sexually reproduced plants, comprises Chapter 57 of title 7; sections 1545 and 2353 of title 28; amendments to 7 U.S.C. 1551, 1562 (The Federal Seed Act) and sections 1338 and 1498 of title 28; and enacting provisions. (Public Law 91–577, Dec. 24, 1970, 84 Stat. 1542.)

The text of the Act and the Regulations and Rules of Practice of the Plant Variety Protection Office are available in pamphlet form from that Office, Room 301 National Agricultural Library, AMS, USDA, Beltsville, Md. 20705.

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XVII. SECRECY

Respect of Security Classification by Secretary of Commerce

15 U.S.C. 1155. General standards and limitations; preservation of security classification. Notwithstanding any other provision of this chapter (ch. 23—Dissemination of Technical, Scientific and Engineering Information), the Secretary (of Commerce) shall respect and preserve the security classification of any scientific or technical information, data, patents, inventions, or discoveries in, or coming into, the possession or control of the Department of Commerce, the classified status of which the President or his designee or designees certify as being essential in the interest of national defense, and nothing in this chapter shall be construed as modifying or limiting any other statute relating to the classification of information for reasons of national defense or security. (Sept. 9, 1950, ch. 936, 64 Stat. 824.)

* * * * * * *

XXV. AMENDMENT AND CORRECTION OF PATENTS

Disclaimer

28 U.S.C. 1928. Patent infringement action; disclaimer not filed. Whenever a judgment is rendered for the plaintiff in any patent infringement action involving a part of a patent and it appears that the patentee, in his specifications, claimed to be, but was not, the original and first inventor or discoverer of any material or substantial part of the thing patented, no costs shall be included in such judgment, unless the proper disclaimer has been filed in the Patent Office prior to the commencement of the action. (June 25, 1948, ch. 646, 62 Stat. 957.)

* * * * * * *

XXVII. GOVERNMENT INTERESTS IN PATENTS

General Note.—The collection below includes only those federal statutes which refer specifically to patents and inventions in relation to rights of Government employees, rights arising from Government-sponsored research and development, or the authority of agencies to own patents. Other statutes exist which are the basis for ownership, although not referring expressly to patents (eg. Public Law 79–733, 60 Stat. 1085 and 1090; 7 U.S.C. 427i and 1624, in respect of the Department of Agriculture).

Additionally, various orders, regulations and memoranda relating to these matters are not reproduced. Especially significant among the non-statutory materials is the Presidential Memorandum and Statement of Government Patent Policy, cited in the footnote to 15 U.S.C. 2218, *infra.* p. 104.

Also important in relation to rights to inventions made by Government employees, is Executive Order 10096 (January 23, 1950; 3 C.F.R. 1949-53, Comp.), as amended by Executive Order 10930 (March 24, 1961; 3 C.F.R. 1959-63 Comp.), as implemented (April 6, 1962; 37 C.F.R. 100 (1962)).

A. Department Of Energy/Nuclear Regulatory Commission

1. Inventions Relating To Atomic Weapons

Note.—References to the "Commission" in sections 42 U.S.C. 2014 and 2181-2190 incl., no longer mean the Atomic Energy Commission, which has been abolished. See sections 42 U.S.C. 5811, 5814, 5841, and 7151 *infra,* pp. 87, 88 under which its functions have been transferred to the Department of Energy and the Nuclear Regulatory Commission. Under the transitional provisions (42 U.S.C. 5871) a reference to "Commission" in any existing statute may mean either of these new agencies.

42 U.S.C. 2014. Definitions. The intent of the Congress in the definitions as given in this section should be construed from the words or phrases used in the definitions. As used in this chapter (ch. 23—Development and Control of Atomic Energy): * * *

(c) The term "atomic energy" means all forms of energy released in the course of nuclear fission or nuclear transformation.

(d) The term "atomic weapon" means any device utilizing atomic energy, exclusive of the means for transporting or propelling the device (where such means is a separable and divisible part of the device), the principal purpose of which is for use as, for development of, a weapon, a weapon prototype, or a weapon test device. * * *

(u) The term "produce", when used in relation to special nuclear material, means (1) to manufacture, make, produce, or refine special nuclear

material; (2) to separate special nuclear material from other substances in which such material may be contained; or (3) to make or to produce new special nuclear material. * * *

(z) The term "source material" means (1) uranium, thorium, or any other material which is determined by the Commission pursuant to the provisions of section 2091 of this title to be source material; or (2) ores containing one or more of the foregoing materials, in such concentration as the Commission may by regulation determine from time to time.

(aa) The term "special nuclear material" means (1) plutonium, uranium enriched in the isotope 233 or in the isotope 235, and any other material which the Commission, pursuant to the provisions of section 2071 of this title, determines to be special nuclear material, but does not include source material; or (2) any material artificially enriched by any of the foregoing, but does not include source material. * * * (Public Law 703, 83d Cong., Aug. 30, 1954, 68 Stat. 922; amended Public Law 87–206, Sept. 6, 1961, 75 Stat. 476; Public Law 89–645, Oct. 13, 1966, 80 Stat. 891.)

42 U.S.C. 2181. **Inventions Relating to Atomic Weapons, and Filing of Reports.** (a) No patent shall hereafter be granted for any invention or discovery which is useful solely in the utilization of special nuclear material or atomic energy in an atomic weapon. Any patent granted for any such invention or discovery is revoked, and just compensation shall be made therefor.

(b) No patent hereafter granted shall confer any rights with respect to any invention or discovery to the extent that such invention or discovery is used in the utilization of special nuclear material or atomic energy in atomic weapons. Any rights conferred by any patent heretofore granted for any invention or discovery are revoked to the extent that such invention or discovery is so used, and just compensation shall be made therefore.

(c) *Report of invention to Commission*. Any person who has made or hereafter makes any invention or discovery useful in the production or utilization of special nuclear material or atomic energy, shall file with the Commission a report containing a complete description thereof unless such invention or discovery is described in an application for a patent filed with the Commissioner of Patents by such person within the time required for the filing of such report. The report covering any such invention or discovery shall be filed on or before the one hundred and eightieth day after such person first discovers or first has reason to believe that such invention or discovery is useful in such production or utilization.

(d) The Commissioner of Patents shall notify the Commission of all applications for patents heretofore or hereafter filed which, in his opinion, disclose inventions or discoveries required to be reported under subsection (c) of this section, and shall provide the Commission access to all such applications.

(e) Reports filed pursuant to subsection (c) of this section, and applications to which access is provided under subsection (d) of this section, shall be kept in confidence by the Commission, and no information concerning

the same given without authority of the inventor or owner unless necessary to carry out the provisions of any Act of Congress or in such special circumstances as may be determined by the Commission. (Public Law 703, 83d Cong., Aug. 30, 1954, 68 Stat. 943; amended Public Law 87–206, Sept. 6, 1961, 75 Stat. 477.)

42 U.S.C. 2182. **Inventions conceived during Commission contracts.** Any invention or discovery, useful in the production or utilization of special nuclear material or atomic energy, made or conceived in the course of or under any contract, subcontract, or arrangement entered into with or for the benefit of the Commission, regardless of whether the contract, subcontract, or arrangement involved the expenditure of funds by the Commission, shall be vested in, and be the property of, the Commission, except that the Commission may waive its claim to any such invention or discovery under such circumstances as the Commission may deem appropriate, consistent with the policy of this section. No patent for any invention or discovery, useful in the production or utilization of special nuclear material or atomic energy, shall be issued unless the applicant files with the application, or within thirty days after request therefor by the Commissioner of Patents (unless the Commission advises the Commissioner of Patents that its rights have been determined and that accordingly no statement is necessary) a statement under oath setting forth the full facts surrounding the making or conception of the invention or discovery described in the application and whether the invention or discovery was made or conceived in the course of or under any contract, subcontract, or arrangement entered into with or for the benefit of the Commission, regardless of whether the contract, subcontract, or arrangement involved the expenditure of funds by the Commission. The Commissioner of Patents shall as soon as the application is otherwise in condition for allowance forward copies of the application and the statement to the Commission.

The Commissioner of Patents may proceed with the application and issue the patent to the applicant (if the invention or discovery is otherwise patentable) unless the Commission, within 90 days after receipt of copies of the application and statement, directs the Commissioner of Patents to issue the patent to the Commission (if the invention or discovery is otherwise patentable) to be held by the Commission as the agent of and on behalf of the United States.

If the Commission files such a direction with the Commissioner of Patents, and if the applicant's statement claims, and the applicant still believes, that the invention or discovery was not made or conceived in the course of or under any contract, subcontract or arrangement entered into with or for the benefit of the Commission entitling the Commission to the title to the application or the patent the applicant may, within 30 days after notification of the filing of such a direction, request a hearing before a Board of Patent Interferences. The Board shall have the power to hear and determine whether the Commission was entitled to the direction filed with the Commissioner of Patents. The Board shall follow the rules and procedures

established for interference cases and an appeal may be taken by either the applicant or the Commission from the final order of the Board to the Court of Customs and Patent Appeals in accordance with the procedures governing the appeals from the Board of Patent Interferences.

If the statement filed by the applicant should thereafter be found to contain false material statements any notification by the Commission that it has no objections to the issuance of a patent to the applicant shall not be deemed in any respect to constitute a waiver of the provisions of this section or of any applicable civil or criminal statute, and the Commission may have the title to the patent transferred to the Commission on the records of the Commissioner of Patents in accordance with the provisions of this section. A determination of rights by the Commissioner pursuant to a contractual provision or other arrangement prior to the request of the Commissioner of Patents for the statement, shall be final in the absence of false material statements or nondisclosure of material facts by the applicant. (As amended Public Law 87–206, Sept. 6, 1961, 75 Stat. 477; amended Public Law 87–615, Aug. 29, 1962, 76 Stat. 411.)

42 U.S.C. 2183. **Nonmilitary utilization.** (a) The Commission may, after giving the patent owner an opportunity for a hearing, declare any patent to be affected with the public interest if (1) the invention or discovery covered by the patent is of primary importance in the production or utilization of special nuclear material or atomic energy; and (2) the licensing of such invention or discovery under this section is of primary importance to effectuate the policies and purposes of this chapter (Ch. 23—Development and Control of Atomic Energy).

(b) Whenever any patent has been declared affected with the public interest, pursuant to subsection (a) of this section—

(1) the Commission is hereby licensed to use the invention or discovery covered by such patent in performing any of its powers under this chapter; and

(2) any person may apply to the Commission for a nonexclusive patent license to use the invention or discovery covered by such patent, and the Commission shall grant such patent license to the extent that it finds that the use of the invention or discovery is of primary importance to the conduct of an activity by such person authorized under this chapter.

(c) Any person—

(1) who has made application to the Commission for a license under sections 2073, 2092, 2093, 2111, 2133 or 2134 of this title, or a permit or lease under section 2097 of this title;

(2) to whom such license, permit, or lease has been issued by the Commission;

(3) who is authorized to conduct such activities as such applicant is conducting or proposes to conduct under a general license issued by the Commission under sections 2092 or 2111 of this title; or

(4) whose activities or proposed activities are authorized under section 2051 of this title,

may at any time make application to the Commission for a patent license for the use of an invention or discovery useful in the production or utilization of special nuclear material or atomic energy covered by a patent. Each such application shall set forth the nature and purpose of the use which the applicant intends to make of the patent license, the steps taken by the applicant to obtain a patent license from the owner of the patent, and a statement of the effects, as estimated by the applicant, on the authorized activities which will result from failure to obtain such patent license and which will result from the granting of such patent license.

(d) Whenever any person has made an application to the Commission for a patent license pursuant to subsection (c) of this section—

(1) the Commission, within 30 days after the filing of such application, shall make available to the owner of the patent all of the information contained in such application, and shall notify the owner of the patent of the time and place at which a hearing will be held by the Commission;

(2) the Commission shall hold a hearing within 60 days after the filing of such application at a time and place designated by the Commission; and

(3) in the event an applicant applies for two or more patent licenses, the Commission may, in its discretion, order the consolidation of such applications, and if the patents are owned by more than one owner, such owners may be made parties to one hearing.

(e) If, after any hearing conducted pursuant to subsection (d) of this section, the Commission finds that—

(1) the invention or discovery covered by the patent is of primary importance in the production or utilization of special nuclear material or atomic energy;

(2) the licensing of such invention or discovery is of primary importance to the conduct of the activities of the applicant;

(3) the activities to which the patent license are proposed to be applied by such applicant are of primary importance to the furtherance of policies and purposes of this chapter; and

(4) such applicant cannot otherwise obtain a patent license from the owner of the patent on terms which the Commission deems to be reasonable for the intended use of the patent to be made by such applicant,

the Commission shall license the applicant to use the invention or discovery covered by the patent for the purposes stated in such application on terms deemed equitable by the Commission and generally not less fair than those granted by the patentee or by the Commission to similar licensees for comparable use.

(f) The Commission shall not grant any patent license pursuant to subsection (e) of this section for any other purpose than that stated in the

application. Nor shall the Commission grant any patent license to any other applicant for a patent license on the same patent without an application being made by such applicant pursuant to subsection (c) of this section, and without separate notification and hearing as provided in subsection (d) of this section, and without a separate finding as provided in subsection (e) of this section.

(g) The owner of the patent affected by a declaration or a finding made by the Commission pursuant to subsection (b) or (e) of this section shall be entitled to a reasonable royalty fee from the licensee for any use of an invention or discovery licensed by this section. Such royalty fee may be agreed upon by such owner and the patent licensee, or in the absence of such agreement shall be determined for each patent license by the Commission pursuant to section 2187(c) of this title.

(h) The provisions of this section shall apply to any patent the application for which shall have been filed before September 1, 1979. (Public Law 703, 83d Cong., August 30, 1954, 68 Stat. 945; amended variously as to date in (h) the latest being Public Law 93–377, August 17, 1974, 88 Stat. 475.)

42 U.S.C. 2184. **Injunctions.** No court shall have jurisdiction or power to stay, restrain, or otherwise enjoin the use of any invention or discovery by a patent licensee, to the extent that such use is licensed by section 2183(b) or 2183(e) of this title. If, in any action against such patent licensee, the court shall determine that the defendant is exercising such license, the measure of damages shall be the royalty fee determined pursuant to section 2187(c) of this title, together with such costs, interst, and reasonable attorney's fees as may be fixed by the court. If no royalty fee has been determined, the court shall stay the proceeding until the royalty fee is determined pursuant to section 2187(c) of this title. If any such patent licensee shall fail to pay such royalty fee, the patentee may bring an action in any court of competent jurisdiction for such royalty fee, together with such costs, interest, and reasonable attorney's fees as may be fixed by the court. (Public Law 703, 83d Cong., Aug. 30, 1954, 68 Stat. 946.)

42 U.S.C. 2185. **Prior Art.** In connection with applications for patents covered by this subchapter, the fact that the invention or discovery was known or used before shall be a bar to the patenting of such invention or discovery even though such prior knowledge or use was under secrecy within the atomic energy program of the United States. (Public Law 703, 83d Cong., Aug. 30, 1954, 68 Stat. 947.)

42 U.S.C. 2186. **Commission patent licenses.** The Commission shall establish standard specifications upon which it may grant a patent license to use any patent held by the Commission or declared to be affected with the public interest pursuant to section 2183(a) of this title. Such a patent license shall not waive any of the other provisions of this chapter. (Public Law 703, 83d Cong. Aug. 30, 1954, 68 Stat. 947.)

42 U.S.C. 2187. **Compensation, awards, and royalties.** (a) *Patent Compensation Board.*—The Commission shall designate a Patent Compensa-

tion Board to consider applications under this section. The members of the Board shall receive a per diem compensation for each day spent in meetings or conferences, and all members shall receive their necessary traveling or other expenses while engaged in the work of the Board. The members of the Board may serve as such without regard to the provisions of sections 281, 283, or 284 of Title 18, except insofar as such sections may prohibit any such member from receiving compensation in respect of any particular matter which directly involves the Commission or in which the Commission is directly interested.

(b). *Eligibility*.—

(1) Any owner of a patent licensed under section 2188 or 2183(b) or 2183(e) of this title, or any patent licensee thereunder may make application to the Commission for the determination of a reasonable royalty fee in accordance with such procedures as the Commission by regulation may establish.

(2) Any person seeking to obtain the just compensation provided in section 2181 of this title shall make application therefor to the Commission in accordance with such procedures as the Commission may by regulation establish.

(3) Any person making any invention or discovery useful in the production or utilization of special nuclear material or atomic energy, who is not entitled to compensation or a royalty therefor under this chapter and who has compiled with the provisions of section 2181(c) of this title may make application to the Commission for, and the Commission may grant, an award. The Commission may also, after consultation with the General Advisory Committee, and with the approval of the President, grant an award for any especially meritorious contribution to the development, use, or control of atomic energy.

(c) *Standards*.—

(1) In determining a reasonable royalty fee as provided for in section 2183(b) or 2183(c) of this title, the Commission shall take into consideration (A) the advice of the Patent Compensation Board; (B) any defense, general or special, that might be pleaded by a defendant in an action for infringement; (C) the extent to which, if any, such patent was developed through federally financed research; and (D) the degree of utility, novelty, and importance of the invention or discovery, and may consider the cost to the owner of the patent of developing such invention or discovery or acquiring such patent.

(2) In determining what constitutes just compensation as provided for in section 2181 of this title, or in determining the amount of any award under subsection (b)(3) of this section, the Commission shall take into account the considerations set forth in paragraph (1) of this subsection and the actual use of such invention or discovery. Such compensation may be paid by the Commission in periodic payments or in a lump sum.

(d) *Limitations*.—Every application under this section shall be barred

unless filed within six years after the date on which first accrues the right to such reasonable royalty fee, just compensation, or award for which such application is filed. (Public Law 703, 83d Cong., Aug. 30, 1954, 68 Stat. 947; amended Public Law 87–206, Sept. 6, 1961, 75 Stat. 478; Public Law 93–276, May 10, 1974, 88 Stat. 119.)

Note.—The Patent Compensation Board and the General Advisory Committee, referred to above, have been transferred to the Department of Energy. (See 42 U.S.C. 5814(d) and 7151, *infra,* pp. 87, 88.)

42 U.S.C. 2188. **Monopolistic use of patents.** Whenever the owner of any patent hereafter granted for any invention or discovery of primary use in the utilization or production of special nuclear material or atomic energy is found by a court of competent jurisdiction to have intentionally used such patent in a manner so as to violate any of the antitrust laws specified in section 2135(a) of this title, there may be included in the judgments of the court, in its discretion and in addition to any other lawful sanctions, a requirement that such owner license such patent to any other licensee of the Commission who demonstrates a need therefore. If the court, at its discretion, deems that such licensee shall pay a reasonable royalty to the owner of the patent, the reasonable royalty shall be determined in accordance with section 2187 of this title. (As amended, Public Law 87–206, Sept. 6, 1961, 75 Stat. 478.)

42 U.S.C. 2189. **Federally financed research.** Nothing in this chapter (ch. 23—Development and Control of Atomic Energy) shall affect the right of the Commission to require that patents granted on inventions, made or conceived during the course of federally financed research or operations, be assigned to the United States. (Public Law 703, 83d Cong., Aug. 30, 1954, 68 Stat. 948.)

42 U.S.C. 2190. **Saving clause.** Any patent application on which a patent was denied by the United States Patent Office under sections 11(a)(1), 11(a)(2), or 11(b) of the Atomic Energy Act of 1946, and which is not prohibited by section 2181 or 2185 of this title may be reinstated upon application to the Commissioner of Patents within one year after August 30, 1954, and shall then be deemed to have been continuously pending since its original filing date: *Provided, however*, That no patent issued upon any patent application so reinstated shall in any way furnish a basis of claim against the Government of the United States. (Public Law 703, 83d Cong., Aug. 30, 1954, 68 Stat. 948.)

* * * * * * *

2. General Provisions

42 U.S.C. 2201. **General Provisions.** In the performance of its functions the Commission is authorized to— * * *

(g) acquire, purchase, lease, and hold real and personal property, including patents, as agent of and on behalf of the United States, subject to the provisions of section 2224 of this title, and to sell, lease, grant and dispose of such real and personal property as provided in this chapter; * * * (Pub-

lic Law 703, 83d Cong., Aug. 30, 1954, 68 Stat. 948.)

NOTE.—For construction of "Commission", see the note preceding 42 U.S.C. 2014 *supra* p. 79.

42 U.S.C. 5811. Establishment of Energy Research and Development Administration. There is hereby established an independent executive agency to be known as the Energy Research and Development Administration (hereinafter in this chapter referred to as the "Administration"). (Public Law 93–438, Oct. 11, 1974, 88 Stat. 1234.)

Note.—The functions of the Energy Research and Development Administration have been transferred to the Department of Energy. See 42 U.S.C. 7151, *infra* p. 88.

42 U.S.C. 5814. Abolition and transfers. (a) The Atomic Energy Commission is hereby abolished.

(b) All other functions of the Commission, the Chairman and members of the Commission, and the officers and components of the Commission are hereby transferred or allowed to lapse pursuant to the provisions of this chapter.

(c) There are hereby transferred to and vested in the Administrator all functions of the Atomic Energy Commission, the Chairman and members of the Commission, and the officers and components of the Commission, except as otherwise provided in this chapter.

(d) The General Advisory Committee established pursuant to section 2036 of this title, the Patent Compensation Board established pursuant to section 2187 of this title * * * are transferred to the Energy Research and Development Administration and the functions of the Commission with respect thereto * * * are transferred to the Administration. * * * (Public Law 93–438, Oct. 11, 1974, 88 Stat. 1239.)

Note.—The functions of the Energy Research and Development Administration have been transferred to the Department of Energy. See 42 U.S.C. 7151, *infra* p. 88.

42 U.S.C. 5817. Powers of the Administrator (now Secretary of Energy) (a) *Research and development.* *** Such functions of the Administrator under this chapter as are applicable to the nuclear activities transferred pursuant to this subchapter shall be subject to the provisions of the Atomic Energy Act of 1954, as amended, and to other authority applicable to such nuclear activities. * * *

(d) *Acquisition of copyrights and patents.* The administrator is authorized to acquire any of the following described rights if the property acquired thereby is for the use in, or is useful to, the performance of functions vested in him:

(1) Copyrights, patents, and applications for patents, designs, processes, specifications, and data.

(2) Licenses under copyrights, patents, and applications for patents.

(3) Releases, before suit is brought, for past infringement of patents or copyrights. * * * (Public Law 93–438, Oct. 11, 1974, 88 Stat. 1240.)

Note.—The functions of the Administrator referred to in this section have been transferred to the Secretary of Energy. See 42 U.S.C. 7151 and 7261, below.

42 U.S.C. 5841. Establishment and transfers—Composition * * * (etc.). (a)(1) There is established an independent regulatory Commission to be known as the Nuclear Regulatory Commission which shall be composed of five members * * *

(f) There are hereby transferred to the Commission all the licensing and related regulatory functions of the Atomic Energy Commission * * * which functions * * * are excepted from the transfer to the Administrator by section 5814(c) of this title. * * * (Public Law 93–438, Oct. 11, 1974, 88 Stat. 1242; Public Law 94–79, Aug. 9, 1975, 89 Stat. 413.)

42 U.S.C. 5845. Office of Nuclear Regulatory Research. * * *

(b) Subject to the provisions of this chapter, the Director of Nuclear Regulatory Research shall perform such functions as the Commission shall delegate, including: * * *

(2) Engaging in or contracting for research which the Commission deems necessary for the performance of its licensing and related regulatory functions. * * * (Public Law 93–438, Oct. 11, 1974, 88 Stat. 1246.)

42 U.S.C. 7151. General transfers. (a) Except as otherwise provided in this Act, there are hereby transferred to, and vested in, the Secretary (of Energy) all of the functions vested by law in *** the Administrator of the Energy Research and Development Administration or the Energy Research and Development Administration *** (Public Law 95–91, August 4, 1977, 91 Stat. 577.)

42 U.S.C. 7261. Acquisition of copyrights, patents etc. The Secretary is authorized to acquire any of the following described rights if the property acquired thereby is for use by or for, or useful to, the Department:

(1) copyrights, patents, and applications for patents, designs, processes, and manufacturing data;

(2) licenses under copyrights, patents, and applications for patents; and

(3) releases, before suit is brought, for past infringement of patents or copyrights. (Public Law 95-91, Aug. 4, 1977, 91 Stat. 601.)

* * * * * * *

3. Rights To Inventions Arising From Sponsored R&D

42 U.S.C. 5908. Patents and inventions. *(a) Vesting of title to inventions and issuance of patents to United States, prerequisites.* Whenever any

invention is made or conceived in the course of or under any contract of the Administration, (now Department of Energy) other than nuclear energy research, development, and demonstration pursuant to the Atomic Energy Act of 1954 and the Administrator (now Secretary of Energy) determines that—

(1) the person who made the invention was employed or assigned to perform research, development, or demonstration work and the invention is related to the work he was employed or assigned to perform, or that it was within the scope of his employment duties, whether or not it was made during working hours, or with a contribution by the Government or the use of Government facilities, equipment, materials, allocated funds, information proprietary to the Government, or services of Government employees during working hours; or

(2) the person who made the invention was not employed or assigned to perform research, development, or demonstration work, but the invention is nevertheless related to the contract or to the work or duties he was employed or assigned to perform, and was made during working hours, or with a contribution from the Government of the sort referred to in clause (1).

title to such invention shall vest in the United States, and if patents on such invention are issued they shall be issued to the United States, unless in particular circumstances the Administrator waives all or any part of the rights of the United States to such invention in conformity with the provisions of this section.

(b) *Contract as requiring report to Administration of inventions, etc., made in course of contract*. Each contract entered into by the Administration with any person shall contain effective provisions under which such person shall furnish promptly to the Administration a written report containing full and complete technical information concerning any invention, discovery, improvement, or innovation which may be made in the course of or under such contract.

(c) *Waiver by Administrator of rights of United States; regulations prescribing procedures; record of waiver determinations; objectives*. Under such regulations in conformity with the provisions of this section as the Administrator shall prescribe, the Administrator may waive all or any part of the rights of the United States under this section with respect to any invention or class of inventions made or which may be made by any person or class of persons in the course of or under any contract of the Administration if he determines that the interests of the United States and the general public will best be served by such waiver. The Administration shall maintain a publicly available, periodically updated record of waiver determinations. In making such determinations, the Administrator shall have the following objectives:

(1) Making the benefits of the energy research, development, and demonstration program widely available to the public in the shortest practicable time.

(2) Promoting the commercial utilization of such inventions.

(3) Encouraging participation by private persons in the Administration's energy research, development, and demonstration program.

(4) Fostering competition and preventing undue market concentration or the creation or maintenance of other situations inconsistent with the antitrust laws.

(d) *Considerations applicable at time of contracting for waiver determination by Administrator.* In determining whether a waiver to the contractor at the time of contracting will best serve the interests of the United States and the general public, the Administrator shall specifically include as considerations—

(1) the extent to which the participation of the contractor will expedite the attainment of the purposes of the program;

(2) the extent to which a waiver of all or any part of such rights in any or all fields of technology is needed to secure the participation of the particular contractor;

(3) the extent to which the contractor's commercial position may expedite utilization of the research, development, and demonstration program results;

(4) the extent to which the Government has contributed to the field of technology to be funded under the contract;

(5) the purpose and nature of the contract, including the intended use of the results developed thereunder;

(6) the extent to which the contractor has made or will make substantial investment of financial resources or technology developed at the contractor's private expense which will directly benefit the work to be performed under the contract;

(7) the extent to which the field of technology to be funded under the contract has been developed at the contractor's private expense;

(8) the extent to which the Government intends to further develop to the point of commercial utilization the results of the contract effort;

(9) the extent to which the contract objectives are concerned with the public health, public safety, or public welfare;

(10) the likely effect of the waiver on competition and market concentration; and

(11) in the case of a nonprofit educational institution, the extent to which such institution has a technology transfer capability and program, approved by the Administrator as being consistent with the applicable policies of this section.

(e) *Considerations applicable to identified invention for waiver determination by Administrator.* In determining whether a waiver to the contractor or inventor of rights to an identified invention will best serve the interests of the United States and the general public, the Administrator shall specifically include as considerations paragraphs (4) through (11) of subsection (d) of this section as applied to the invention and—

(1) the extent to which such waiver is a reasonable and necessary

incentive to call forth private risk capital for the development and commercialization of the invention; and

(2) the extent to which the plans, intentions, and ability of the contractor or inventor will obtain expeditious commercialization of such invention.

(f) *Rights subject to reservation where title to invention vested in United States.* Whenever title to an invention is vested in the United States, there may be reserved to the contractor or inventor—

(1) a revocable or irrevocable nonexclusive, paid-up license for the practice of the invention throughout the world; and

(2) the rights to such invention in any foreign country where the United States has elected not to secure patent rights and the contractor elects to do so, subject to the rights set forth in paragraphs (2), (3), (6), and (7) of subsection (h) of this section: *Provided*, That when specifically requested by the Administration and three years after issuance of such a patent, the contractor shall submit the report specified in subsection (h)(1) of this section.

(g) *Licenses to inventions; promulgation of regulations specifying terms and conditions; criteria and procedures for grant of exclusive or partially exclusive licenses; record of determinations.* (1) Subject to paragraph (2) of this subsection, the Administrator shall determine and promulgate regulations specifying the terms and conditions upon which licenses may be granted in any invention to which title is vested in the United States.

(2) Pursuant to paragraph (1) of this subsection, the Administrator may grant exclusive or partially exclusive licenses in any invention only if, after notice and opportunity for hearing, it is determined that—

(A) the interests of the United States and the general public will best be served by the proposed license, in view of the applicant's intentions, plans, and ability to bring the invention to the point of practical or commercial applications;

(B) the desired practical or commercial applications have not been achieved, or are not likely expeditiously to be achieved, under any nonexclusive license which has been granted, or which may be granted, on the invention;

(C) exclusive or partially exclusive licensing is a reasonable and necessary incentive to call forth risk capital and expenses to bring the invention to the point of practical or commercial applications; and

(D) the proposed terms and scope of exclusivity are not substantially greater than necessary to provide the incentive for bringing the invention to the point of practical or commercial applications and to permit the licensee to recoup its costs and a reasonable profit thereon:

Provided, That, the Administrator shall not grant such exclusive or partially exclusive license if he determines that the grant of such license will tend

substantially to lessen competition or result in undue concentration in any section of the country in any line of commerce to which the technology to be licensed relates. The Administration shall maintain a publicly available, periodically updated record of determinations to grant such licenses.

(h) *Required terms and conditions in waiver of rights or grant of exclusive or partially exclusive licenses.* Each waiver of rights or grant of an exclusive or partially exclusive license shall contain such terms and conditions as the Administrator may determine to be appropriate for the protection of the interests of the United States and the general public, including provisions for the following:

(1) Periodic written reports at reasonable intervals, and when specifically requested by the Administration, on the commercial use that is being made or is intended to be made of the invention.

(2) At least an irrevocable, nonexclusive, paid-up license to make, use, and sell the invention throughout the world by or on behalf of the United States (including any Government agency) and States and domestic municipal governments, unless the Administrator determines that it would not be in the public interest to acquire the license for the States and domestic municipal governments.

(3) The right in the United States to sublicense any foreign government pursuant to any existing or future treaty or agreement if the Administrator determines it would be in the national interest to acquire this right.

(4) The reservation in the United States of the rights to the invention in any country in which the contractor does not file an application for patent within such time as the Administration shall determine.

(5) The right in the Administrator to require the granting of a nonexclusive, exclusive, or partially exclusive license to a responsible applicant or applicants, upon terms reasonable under the circumstances, (A) to the extent that the invention is required for public use by governmental regulations, or (B) as may be necessary to fulfill health, safety, or energy needs, or (C) for such other purposes as may be stipulated in the applicable agreement.

(6) The right in the Administrator to terminate such waiver or license in whole or in part unless the recipient of the waiver or license demonstrates to the satisfaction of the Administrator that he has taken effective steps, or within a reasonable time thereafter is expected to take such steps, necessary to accomplish substantial utilization of the invention.

(7) The right in the Administrator, commencing three years after the grant of a license and four years after a waiver is effective as to an invention, to require the granting of a nonexclusive or partially exclusive license to a responsible applicant or applicants, upon terms reasonable under the circumstances, and in appropriate circumstances to terminate the waiver or license in whole or in part, following a

hearing upon notice thereof to the public, upon a petition by an interested person justifying such hearings—

(A) if the Administrator determines, upon review of such material as he deems relevant, and after the recipient of the waiver or license, or other interested person, has had the opportunity to provide such relevant and material information as the Administrator may require, that such waiver or license has tended substantially to lessen competition or to result in undue concentration in any section of the country in any line of commerce to which the technology relates; or

(B) unless the recipient of the waiver or license demonstrates to the satisfaction of the Administrator at such hearing that he has taken effective steps, or within a reasonable time thereafter is expected to take such steps, necessary to accomplish substantial utilization of the invention.

(i) *Publication in Federal Register by Administrator of waiver or license termination hearing requirements and availability of records*. The Administrator shall provide an annual periodic notice to the public in the Federal Register, or other appropriate publication, of the right to have a hearing as provided by subsection (h)(7) of this section, and of the availability of the records of determinations provided in this section.

(j) *Small business status of applicant for waiver or licenses*. The Administrator shall, in granting waivers or licenses, consider the small business status of the applicant.

(k) *Protection of invention, etc., rights by Administrator*. The Administrator is authorized to take all suitable and necessary steps to protect any invention or discovery to which the United States holds title, and to require that contractors or persons who acquire rights to inventions under this section protect such inventions.

(l) *Administration as defense agency of United States for purpose maintaining secrecy of inventions*. The Administration shall be considered a defense agency of the United States for the purpose of chapter 17 of Title 35.

(m) *Definitions*. As used in this section—

(1) the term "person" means any individual, partnership, corporation, association, institution, or other entity;

(2) the term "contract" means any contract, grant, agreement, understanding, or other arrangement, which includes research, development, or demonstration work, and includes any assignment, substitution of parties, or subcontract executed or entered into thereunder;

(3) the term "made", when used in relation to any invention, means the conception or first actual reduction to practice of such invention;

(4) the term "invention" means inventions or discoveries, whether patented or unpatented; and

(5) the term "contractor" means any person having a contract with or on behalf of the Administration.

(n) *Report concerning applicability of existing patent policies to energy programs; time for submission to President and appropriate congressional committees.* Within twelve months after December 31, 1974, the Administrator with the participation of the Attorney General, the Secretary of Commerce, and other officials as the President may designate, shall submit to the President and the appropriate congressional committees a report concerning the applicability of existing patent policies affecting the programs under this chapter, along with his recommendations for amendments or additions to the statutory patent policy, including his recommendations on mandatory licensing, which he deems advisable for carrying out the purposes of this chapter. (Public Law 93–577, Dec. 31, 1974, 88 Stat. 1887.)

Note.—The functions of the Administration and of the Administrator referred to in this section have been transferred to the Department of Energy and the Secretary of Energy. See 42 U.S.C. 7151, *supra,* p. 88.

15 U.S.C. 2511. Patents (Electric and Hybrid Vehicles). Section 5908 of Title 42 shall apply to any contract (including any assignment, substitution of parties, or subcontract thereunder), entered into, made, or issued by the Administrator (now Secretary of Energy) pursuant to section 2507 (Contracts-Research, Development and Demonstration) of this title. (Public Law 94–413, September 17, 1976, 90 Stat. 1269.)

30 U.S.C. 666. Public-availability requirements; national defense; patent agreements. No research shall be carried out, contracted for, sponsored, co-sponsored, or authorized under authority of this chapter (ch. 18—Coal Research and Development), unless all information, uses, products, processes, patents, and other developments resulting from such research will (with such exceptions and limitations, if any, as the Secretary may find to be necessary in the interest of national defense) be available to the general public. Whenever in the estimation of the Secretary the purposes of this chapter would be furthered through the use of patented processes or equipment, the Secretary is authorized to enter into such agreements as he deems necessary for the acquisition or use of such patents on reasonable terms and conditions. (Public Law 86–599, July 7, 1960, 74 Stat. 337.)

Note.—The functions referred to in this section are now vested in the Secretary of Energy. (See 42 U.S.C. 5814(e) and 7151.)

* * * * * * *

16 U.S.C. 832a. General administrative provisions. * * *

(d) *Condemnation.* The administrator (of the Bonneville project) shall have power to acquire any property or property rights, including patent rights, which in his opinion are necessary to carry out the purpose of this chapter (ch. 12B—Bonneville Project) by the exercise of the right of eminent domain and to institute condemnation proceedings therefore in

the same manner as is provided by law for the condemnation of real estate. (Aug. 20, 1937, ch. 720, 50 Stat. 733.)

Note.—The functions referred to in this section have been transferred to the Secretary of Energy. See 42 U.S.C. 7152.

B. National Aeronautics and Space Administration

42 U.S.C. 2457. Property rights in inventions. (a) Whenever any invention is made in the performance of any work under any contract of the (National Aeronautics and Space) Administration, and the Administrator (of NASA) determines that—

(1) the person who made the invention was employed or assigned to perform research, development, or exploration work and the invention is related to the work he was employed or assigned to perform, or that it was within the scope of his employment duties, whether or not it was made during working hours, or with a contribution by the Government of the use of Government facilities, equipment, materials, allocated funds, information proprietary to the Government, or services of Government employees during working hours; or

(2) the person who made the invention was not employed or assigned to perform research, development, or exploration work, but the invention is nevertheless related to the contract, or to the work or duties he was employed or assigned to perform, and was made during working hours, or with a contribution from the Government of the sort referred to in clause (1),

such invention shall be the exclusive property of the United States, and if such invention is patentable a patent therefor shall be issued to the United States upon application made by the Administrator, unless the Administrator waives all or any part of the rights of the United States to such invention in conformity with the provisions of subsection (f) of this section.

(b) *Contract provisions*. Each contract entered into by the Administrator with any party for the performance of any work shall contain effective provisions under which such party shall furnish promptly to the Administrator a written report containing full and complete technical information concerning any invention, discovery, improvement, or innovation which may be made in the performance of any such work.

(c) *Patent application*. No patent may be issued to any applicant other than the Administrator for any invention which appears to the Commissioner of Patents to have significant utility in the conduct of aeronautical and space activities unless the applicant files with the Commissioner, with the application or within thirty days after request therefor by the Commissioner, a written statement executed under oath setting forth the full facts concerning the circumstances under which such invention was made and stating the relationship (if any) of such invention to the performance of any work under any contract of the Administration. Copies of each such state-

ment and the application to which it relates shall be transmitted forthwith by the Commissioner to the Administrator.

(d) *Board of Patent Interferences.* Upon any application as to which any such statement has been transmitted to the Administrator, the Commissioner may, if the invention is patentable, issue a patent to the applicant unless the Administrator, within ninety days after receipt of such application and statement, requests that such patent be issued to him on behalf of the United States. If, within such time, the Administrator files such a request with the Commissioner, the Commissioner shall transmit notice thereof to the applicant, and shall issue such patent to the Administrator unless the applicant within thirty days after receipt of such notice requests a hearing before a Board of Patent Interferences on the question whether the Administrator is entitled under this section to receive such patent. The Board may hear and determine, in accordance with rules and procedures established for interference cases, the question so presented, and its determination shall be subject to appeal by the applicant or by the Administrator to the Court of Customs and Patent Appeals in accordance with procedures governing appeals from decisions of the Board of Patent Interferences in other proceedings.

(e) Whenever any patent has been issued to any applicant in conformity with subsection (d) of this section, and the Administrator thereafter has reason to believe that the statement filed by the applicant in connection therewith contained any false representations of any material fact, the Administrator within five years after the date of issuance of such patent may file with the Commissioner a request for the transfer to the Administrator of title to such patent on the records of the Commissioner. Notice of any such request shall be transmitted by the Commissioner to the owner of record of such patent, and title to such patent shall be so transferred to the Administrator unless within thirty days after receipt of such notice such owner of record requests a hearing before a Board of Patent Interferences on the question whether any such false representation was contained in such statement. Such question shall be heard and determined, and determination thereof shall be subject to review, in the manner prescribed by subsection (d) of this section for questions arising thereunder. No request made by the Administrator under this subsection for the transfer of title to any patent, and no prosecution for the violation of any criminal statute, shall be barred by any failure of the Administrator to make a request under subsection (d) of this section for the issuance of such patent to him, or by any notice previously given by the Administrator stating that he had no objection to the issuance of such patent to the applicant therefor.

(f) *Waiver: Inventions and Contributions Board.* Under such regulations in conformity with this subsection as the Administrator shall prescribe, he may waive all or any part of the rights of the United States under this section with respect to any invention or class of inventions made or which may be made by any person or class of persons in the performance of any work required by any contract of the Administration if the Administrator

determines that the interests of the United States will be served thereby. Any such waiver may be made upon such terms and under such conditions as the Administrator shall determine to be required for the protection of the interests of the United States. Each such waiver made with respect to any invention shall be subject to the reservation by the Administrator of an irrevocable, nonexclusive, nontransferable, royalty-free license for the practice of such invention throughout the world by or on behalf of the United States or any foreign government pursuant to any treaty or agreement with the United States. Each proposal for any waiver under this subsection shall be referred to an Inventions and Contributions Board which shall be established by the Administrator within the Administration. Such Board shall accord to each interested party an opportunity for hearing, and shall transmit to the Administrator its findings of fact with respect to such proposal and its recommendations for action to be taken with respect thereto.

(g) *License regulations*. The Administrator shall determine, and promulgate regulations specifying, the terms and conditions upon which licenses will be granted by the Administration for the practice by any person (other than an agency of the United States) of any invention for which the Administrator holds a patent on behalf of the United States.

(h) *Protection of title*. The Administrator is authorized to take all suitable and necessary steps to protect any invention or discovery to which he has title, and to require that contractors or persons who retain title to inventions or discoveries under this section protect the inventions or discoveries to which the Administration has or may acquire a license of use.

(i) *Defense agency*. The Administration shall be considered a defense agency of the United States for the purpose of chapter 17 of Title 35.

(j) *Definitions*. As used in this section—

(1) the term "person" means any individual, partnership, corporation, association, institution, or other entity;

(2) the term "contract" means any actual or proposed contract, agreement, understanding, or other arrangement, and includes any assignment, substitution of parties, subcontract executed or entered into thereunder; and

(3) the term "made", when used in relation to any invention, means the conception or first actual reduction to practice of such invention. (Public Law 85–568, July 29, 1958, 72 Stat. 435.)

42 U.S.C. 2458. Contributions awards. (a) Subject to the provisions of this section, the Administrator is authorized, upon his own initiative or upon application of any person, to make a monetary award, in such amount and upon such terms as he shall determine to be warranted, to any person (as defined by section 2457 of this title) for any scientific or technical contribution to the Administration which is determined by the Administrator to have significant value in the conduct of aeronautical and space activities. Each application made for any such award shall be referred to the Inventions and Contributions Board established under section 2457 of this title. Such Board shall accord to each such applicant an opportunity for

hearing upon such application, and shall transmit to the Administrator its recommendation as to the terms of the award, if any, to be made to such applicant for such contribution. In determining the terms and conditions of any award the Administrator shall take into account—

(1) the value of the contribution to the United States;

(2) the aggregate amount of any sums which have been expended by the applicant for the development of such contribution;

(3) the amount of any compensation (other than salary received for services rendered as an officer or employee of the Government) previously received by the applicant for or on account of the use of such contribution by the United States; and

(4) such other factors as the Administrator shall determine to be material.

(b) If more than one applicant under subsection (a) of this section claims an interest in the same contribution, the Administration shall ascertain and determine the respective interests of such applicants, and shall apportion any award to be made with respect to such contribution among such applicants in such proportions as he shall determine to be equitable. No award may be made under subsection (a) of this section with respect to any contribution—

(1) unless the applicant surrenders, by such means as the Administrator shall determine to be effective, all claims which such applicant may have to receive any compensation (other than the award made under this section) for the use of such contribution or any element thereof at any time by or on behalf of the United States, or by or on behalf of any foreign government pursuant to any treaty or agreement with the United States, within the United States, or at any other place;

(2) in any amount exceeding $100,000, unless the Administrator has transmitted to the appropriate committees of the Congress a full and complete report concerning the amount and terms of, and the basis for, such proposed award, and thirty calendar days of regular session of the Congress have expired after receipt of such report by such committees.

(Public Law 85-568, July 29, 1958, 72 Stat. 437.)

42 U.S.C. 2473. Functions of the Administration. * * *

(c) In the performance of its functions the (National Aeronautics and Space) Administration is authorized— * * *

(3) to acquire* * * such other real and personal property (including patents), or any interest therein, as the Administration deems necessary within and outside the continental United States; *** to sell and otherwise dispose of real and personal property (including patents and rights thereunder) in accordance with the provision of the Federal Property and Administrative Service Act of 1949, as amended (40 U.S.C. 471 *et seq.*); *** (Public Law 85-568, July 29, 1958, 72 Stat 429.)

* * * * * * *

C. Department of Health, Education, and Welfare

42 U.S.C. 286d. Authority of Director of National Cancer Institute. (a) The Director of the National Cancer Institute * * * is authorized— * * *

(2) to acquire * * * such other real or personal property (including patents) as the Director deems necessary; * * * (As amended, Public Law 93–352, July 23, 1974, 88 Stat. 359.)

42 U.S.C. 287b. National heart, blood vessel, lung, and blood disease program. * * *

(c) In carrying out the Program, the Director of the (National Heart and Lung) Institute * * * may— * * *

(2) acquire * * * such other real or personal property (including patents) as the Director deems necessary * * *

(As amended, Public Law 93–348, July 13, 1974, 88 Stat. 347.)

30 U.S.C. 937. Research grants. * * *

(b) The Secretary of Health, Education, and Welfare shall initiate research within the National Institute for Occupational Safety and Health, and is authorized to make research grants to public and private agencies and organizations and individuals for the purpose of devising simple and effective tests to measure, detect, and treat respiratory and pulmonary impairments in active and inactive coal miners. Any grant made pursuant to this subsection shall be conditioned upon all information, uses, products, processes, patents, and other developments resulting from such research being available to the general public, except to the extent of such exceptions and limitations as the Secretary of Health, Education, and Welfare may deem necessary in the public interest. * * * (Public Law 92–303, May 19, 1972, 86 Stat. 155.)

D. Department of the Interior

16 U.S.C. 833a. Administration of project. * * *

(d) Acquisition of any property or property rights. The Secretary of the Interior shall have power to acquire any property or property rights, including patent rights, which in his opinion are necessary to carry out the purposes of this chapter (ch. 12C—Fort Peck Project) by the exercise of eminent domain and to institute condemnation proceedings therefore in the same manner as is provided by law for the condemnation of real estate. (May 18, 1938, ch. 250, 52 Stat. 404.)

30 U.S.C. 322. Laboratory research and development, etc. In order to carry out the purposes of this chapter (ch. 6—Synthetic Liquid Fuel Demonstration Plants), the Secretary of the Interior is authorized— * * *

(b) to acquire, by purchase, license, lease for a term of years or less, or

donation, secret processes, technical data, inventions, patent applications, patents, irrevocable nonexclusive licenses, and other rights and licenses under patents granted by this or any other nation; * * * (Public Law 290, 78th Cong., Apr. 5, 1944, 58 Stat. 190.)

30 U.S.C. 323. Licenses and Patent rights. The Secretary of the Interior is authorized to grant, on such terms as he may consider appropriate but subject to section 488 of Title 40, licenses under patent rights acquired under this chapter (ch. 6—Synthetic Liquid Fuel Demonstration Plants): *Provided*, That such licenses are consistent with the terms of the agreements by which such patent rights are acquired. No patent acquired by the Secretary of the Interior under this chapter shall prevent any citizen of the United States, or corporation created under the laws of the United States or any State thereof, from using any invention, discovery, or process covered by such patent, or restrict such use by any such citizen or corporation, or be the basis of any claim against any such person or corporation on account of such use. (Public Law 290, 78th Cong., Apr. 5, 1944, 58 Stat. 191; amended Public Law 247, 82d Cong., Oct. 31, 1951, 65 Stat. 709.)

30 U.S.C. 951. Studies and research—Appropriate Projects. * * *

(c) * * * No research, demonstrations, or experiments shall be carried out, contracted for, sponsored, cosponsored, or authorized under authority of this chapter (ch. 22—Coal Mine Health and Safety) unless all information, uses, products, patents, and other developments resulting from such research, demonstrations, or experiments will (with such exception and limitation, if any, as the Secretary of the Interior or the Secretary of Health, Education, and Welfare in coordination with the Secretary (of the Interior) may find to be necessary in the public interest) be available to the general public. * * * (Public Law 91-173, Dec. 30, 1969, 83 Stat. 799; amended Public Law 95–164, November 9, 1977, 91 Stat. 1320.)

30 U.S.C. 1226. Research—Coordination with existing programs; availability of information to public. * * *

(d) No research, demonstration, or experiment shall be carried out under this chapter (ch. 25—Surface Mining Control and Reclamation) by an institute financed by grants under this chapter, unless all uses, products, processes, patents, and other developments resulting therefrom, with such exception or limitation, if any, as the Secretary (of the Interior) may find necessary in the public interest, be available promptly to the general public. Nothing contained in this section shall deprive the owner of any background patent relating to any such activities of any rights which that owner may have under that patent. * * * (Public Law 95-87, Aug. 3, 1977, 91 Stat. 454.)

30 U.S.C. 1328. Research, development projects, etc., relating to alternative coal mining technologies—authority of Administrator to conduct, promote, etc. * * *

(e) Subject to the patent provisions of section 1226 (d) of this title, all information and data resulting from any research studies, surveys, experiments, or demonstration projects conducted or financed under this subchapter shall be promptly made available to the public. (Public Law 95–87 Aug. 3, 1977, 91 Stat. 531.)

40 U.S.C. App. 302(e) Grants for . . . research and development projects. * * *

(e) *Research and development activities*. No part of any appropriated funds may be expended pursuant to authorization given by this (Appalachian Development) Act involving any scientific or technological research or development activity unless such expenditure is conditioned upon provisions effective to insure that all information, copyrights, uses, processes, patents, and other developments resulting from that activity will be made freely available to the general public. Nothing contained in this subsection shall deprive the owner of any background patent relating to any such activity, without his consent, of any right which that owner may have under that patent. * * * (Public Law 89–4, Mar. 9, 1965, 79 Stat. 21; Public Law 90–103, Oct. 11, 1967, 81 Stat. 264.)

42 U.S.C. 1959c. Powers of Secretary of Interior. In carrying out his functions under this chapter (ch. 19—Saline and Salt Waters), the Secretary may— * * *

(e) acquire secret processes, technical data, inventions, patent applications, patents, licenses * * * (Public Law 92–60, July 29, 1971, 85 Stat. 160.)

42 U.S.C. 1959d. Saline water conversion program. * * *

(d) All research within the United States contracted for, sponsored, cosponsored, or authorized under authority of this chapter (ch. 19—Saline and Salt Waters), shall be provided for in such manner that all information, uses, products, processes, patents, and other developments resulting from such research developed by Government expenditure will (with such exceptions and limitations, if any, as the Secretary may find to be necessary in the interest of national defense) be available to the general public. This subsection shall not be so construed as to deprive the owner of any background patent relating thereto of such rights as he may have thereunder. * * * (Public Law 92–60, July 29, 1971, 85 Stat. 161.)

NOTE.—Public Law 94–316, sec. 3, June 22, 1976 provided that: "Relative to the definition of, title to, and licensing of inventions made or conceived in the course of or under any contract or grant pursuant to the Water Resources Research Act of 1964 (42 U.S.C. 1961) or the Saline Water Conversion Act of 1971 (42 U.S.C. 1959), and notwithstanding any other provision of law, the Secretary shall be governed by the provisions of sections 9 and 10 of the Federal Nonnuclear Energy, Research, and Development Act of 1974 (42 U.S.C. 5908) *Provided, however,* That subsections (1) and (n) of said section 9 of said Act shall not apply to this Act."

42 U.S.C. 1961c-3. **Availability to public of resulting information and developments a condition for expenditure of funds for scientific or technological research or development activity; background patent owners' rights.** No part of any appropriated funds may be expended pursuant to authorization given by this chapter (ch. 19A—Water Resources Research) for any scientific or technological research or development activity unless such expenditure is conditioned upon provisions determined by the Secretary of the Interior, with the approval of the Attorney General, to be effective to insure that all information, uses, products, processes, patents, and other developments resulting from that activity will (with such exceptions and limitations as the Secretary may determine, after consultation with the Secretary of Defense, to be necessary in the interest of the national defense) be made freely and fully available to the general public. Nothing contained in this section shall deprive the owner of any background patent relating to any such activity of any rights which that owner may have under that patent. (Public Law 88–379, July 17, 1964, 78 Stat. 332.)

NOTE.—See note under 42 U.S.C. 1959d, *supra p. 101.*

50 U.S.C. 167b. **Production of helium; maintenance and operation of facilities; research.** The Secretary (of the Interior) is authorized to maintain and operate helium production and purification plants together with facilities and accessories thereto; to acquire, store, transport, sell, and conserve helium, helium-bearing natural gas, and helium-gas mixtures, to conduct exploration for and production of helium on and from the lands acquired, leased, or reserved; and to conduct or contract with public or private parties for experimentation and research to discover helium supplies and to improve processes and methods of helium production, purification, transportation, liquefaction, storage, and utilization: *Provided, however,* That all research contracted for, sponsored, cosponsored, or authorized under authority of this chapter (ch. 10–Helium Gas) shall be provided for in such manner that all information, uses, products, processes, patents, and other developments resulting from such research developed by Government expenditure will (with such exceptions and limitations, if any, as the Secretary may find to be necessary in the interest of national defense) be available to the general public: *And provided further*, That nothing contained herein shall be construed as to deprive the owner of any background patent relating thereto to such rights as he may have thereunder. (As amended, Public Law 86–777, Sept. 13, 1960, 74 Stat. 920.)

* * * * * * *

E. DEPARTMENT OF DEFENSE

10 U.S.C. 2386. **Copyrights, patents, designs, etc.; acquisition.** Funds appropriated for a military department available for making or procuring supplies may be used to acquire any of the following if the

acquisition relates to supplies or processes produced or used by or for, or useful to, that department:

(1) Copyrights, patents, and applications for patents.

(2) Licenses under copyrights, patents, and applications for patents.

(3) Designs, processes, and manufacturing data.

(4) Releases, before suit is brought, for past infringement of patents or copyrights.

(Aug. 10, 1956, ch. 1041, 70A Stat. 137; amended Public Law 86–726, Sept. 8, 1960, 74 Stat. 855.)

10 U.S.C. 5151. Office of Naval Research: duties. (a) The Office of Naval Research shall perform such duties as the Secretary of the Navy prescribes relating to— * * *

(3) the supervision, administration, and control of activities within or for the Department relating to patents, inventions, trademarks, copyrights, and royalty payments, and matters connected therewith. * * *

(Aug. 10, 1956, ch. 1041, 70A Stat. 291.)

10 U.S.C. 7210. Purchase of patents, patent applications, and licenses. (a) The Secretary of the Navy may buy letters patent, applications for letters patent, and licenses under either letters patent or applications for letters patent. The purchases shall be made from appropriations available for the purchase or manufacture of the equipment or material to which the purchased letters patent, applications, or licenses pertain. * * * (Aug. 10, 1956, ch. 1041, 70A Stat. 444.)

22 U.S.C. 526. Protection of patent rights of U.S. citizens. The Secretary of the Army and the Secretary of the Navy, shall in all contracts or agreements for the sale of such matériel fully protect the rights of all citizens of the United States who have patent rights in and to any such matériel which is authorized to be sold and the funds collected for royalties on such patents shall be paid to the owners and holders of such patents. (June 15, 1940, ch. 365, 54 Stat. 397.)

* * * * * * *

F. Consumer Product Safety Commission

15 U.S.C. 2054. Product safety information and research. * * *

(d) Whenever the Federal contribution for any information, research, or development activity authorized by this chapter (ch. 47—Consumer Product Safety) is more than minimal, the (Consumer Product Safety) Commission shall include in any contract, grant, or other arrangement for such activity, provisions effective to insure that the rights to all information, uses, processes, patents, and other developments resulting from that activity will be made available to the public without charge on a nonexclusive basis. Nothing in this subsection shall be construed to deprive any person of any right which he may have had, prior to entering into any arrangement

referred to in this subsection, to any patent, patent application, or invention. (Public Law 92–573, Oct. 27, 1972, 86 Stat. 1211.)

* * * * * * *

G. Department of Commerce

15 U.S.C. 2218. Administrative provisions (National Fire Prevention and Control Administration). * * *

(d) *Inventions and discoveries*. All property rights with respect to inventions and discoveries, which are made in the course of or under contract with any government agency pursuant to this chapter (ch. 49—Fire Prevention and Control), shall be subject to the basic policies set forth in the President's Statement of Government Patent Policy issued August 23, 1971, or such revisions of that statement of policy as may subsequently be promulgated and published in the Federal Register. * * * (Public Law 93–498, Oct. 29, 1974, 88 Stat. 1548.)

NOTE.—For the text of the President's Statement of Government Patent Policy, issued August 23, 1971, see Federal Register, Vol. 36, No. 166, August 26, 1971; 890 Official Gazette 1302, Sept. 28, 1971.

* * * * * * *

H. Department of State

22 U.S.C. 2179. Prototype desalting plant. (a) *Assistance in development*. In furtherance of the purposes of this part (Economic Assistance) * * * the President, if he determines it to be feasible, is authorized to participate in the development of a large-scale water treatment and desalting prototype plant and necessary appurtenances to be constructed in Israel * * *

(b) *Terms and conditions*. Any agreement entered into under subsection (a) of this section shall include such terms and conditions as the President deems appropriate to insure, among other things, that all information, products, uses, processes, patents, and other developments obtained or utilized in the development of this prototype plant will be available without further cost to the United States for the use and benefit of the United States throughout the world. * * *

(d) *Patents*. Nothing in this section shall be construed as intending to deprive the owner of any background patent or any right which such owner may have under that patent. * * * (Public Law 91–175, Dec. 30, 1969, 83 Stat. 806.)

22 U.S.C. 2572. Patents. All research within the United States contracted for, sponsored, cosponsored, or authorized under authority of this chapter (ch. 35—Arms Control and Disarmament) shall be provided for in such manner that all information as to uses, products, processes, patents, and other developments resulting from such research developed by Government expenditure will (with such exceptions and limitations, if any, as

the Director may find to be necessary in the public interest) be available to the general public. This section shall not be so construed as to deprive the owner of any background patent relating thereto of such rights as he may have thereunder. (Public Law 87–297, Sept. 26, 1961, 75 Stat. 634.)

* * * * * * *

I. Department of Transportation

15 U.S.C. 1395. Research and training, etc. (a) The Secretary (of Transportation) shall conduct research, testing, development, and training necessary to carry out the purposes of this subchapter (Motor Vehicle Safety Standards) * * *

(c) Whenever the Federal contribution for any research or development activity authorized by this chapter (ch. 38—Traffic and Motor Vehicle Safety) encouraging motor vehicle safety is more than minimal, the Secretary shall include in any contract, grant, or other arrangement for such research or development activity, provisions effective to insure that all information, uses, processes, patents, and other developments resulting from that activity will be made freely and fully available to the general public. Nothing herein shall be construed to deprive the owner of any background patent of any right which he may have thereunder. (Public Law 89–563, Sept. 9, 1966, 80 Stat. 721.)

* * * * * * *

J. Department of the Treasury

31 U.S.C. 393. Acquisition of production capability for minting clad coins; public contracts and procurement. (a) In order to acquire * * * patents, patent rights, technical knowledge and assistance * * * necessary to produce rapidly an adequate supply of the coins authorized by section 391 of this title (Title 31. Money and Finance), the Secretary (of the Treasury) may enter into contracts upon such terms and conditions as he may deem appropriate and in the public interest. * * * (Public Law 89–81, July 23, 1965, 79 Stat. 255.)

* * * * * * *

K. Environmental Protection Agency

42 U.S.C. 7404 (b) (4). Research relating to fuels and vehicles. * * *

(b) In carrying out the provisions of this section, the Administrator (of the Environmental protection Agency) may—

(4) acquire secret processes, technical data, inventions, patent applications, patents, licenses, * * * by purchase, license, lease, or donation; * * * (As added, Public Law 90–148, Nov. 21, 1967, 81

Stat. 488; amended Public Law 91-604, Dec. 31, 1970, 84 Stat. 1713.)

42 U.S.C. 7608. **Mandatory licensing.** Whenever the Attorney General determines, upon application of the Administrator (of the Environmental Protection Agency)—

(1) That—

(A) in the implementation of the requirements of section 7411 (Standards of performance for new stationary sources), 7412 (National emission standards for hazardous air pollutants) or 7521 (Standards governing emission of substances from new motor vehicles or new motor vehicle engines) of this title, a right under any United States letters patent, which is being used or intended for public or commercial use and not otherwise reasonably available, is necessary to enable any person required to comply with such limitation to so comply, and

(B) there are no reasonable alternative methods to accomplish such purpose, and

(2) that the unavailability of such right may result in a substantial lessening of competition or tendency to create a monopoly in any line of commerce in any section of the country,

the Attorney General may so certify to a district court of the United States, which may issue an order requiring the person who owns such patent to license it on such reasonable terms and conditions as the court, after hearing, may determine. Such certification may be made to the district court for the district in which the person owning the patent resides, does business, or is found. (As added Public Law 91-604, Dec. 31, 1970, 84 Stat. 1709.)

42 U.S.C. 6981 (c) (3). **Research, demonstrations, training and other activities (Solid Waste Disposal).** * * *

(3) Any invention made or conceived in the course of, or under, any contract under this chapter shall be subject to section 9 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5908) to the same extent and in the same manner as inventions made or conceived in the course of contracts under such Act, except that in applying such section, the Environmental Protection Agency shall be substituted for the Energy Research and Development Administration and the words "solid waste" shall be substituted for the word "energy" where appropriate. (Public Law 89-272, Title II, §8001, as added Public Law 94-580, Oct. 21, 1976, 90 Stat. 2829.)

* * * * * * *

L. National Science Foundation

42 U.S.C. 1871. **Patent rights.** (a) Each contract or other arrangement executed pursuant to this chapter (ch. 16—National Science Foundation) which relates to scientific research shall contain provisions governing the disposition of inventions produced thereunder in a manner calculated to

protect the public interest and the equities of the individual or organization with which the contract or other arrangement is executed: *Provided*, however, That nothing in this chapter shall be construed to authorize the Foundation to enter into any contractual or other arrangement inconsistent with any provision of law affecting the issuance or use of patents.

(b) No officer or employee of the Foundation shall acquire, retain or transfer any rights, under the patent laws of the United States or otherwise, in any invention which he may make or produce in connection with performing his assigned activities and which is directly related to the subject matter thereof: *Provided*, however, That this subsection shall not be construed to prevent any officer or employee of the Foundation from executing any application for patent on any such invention for the purpose of assigning the same to the Government or its nominee in accordance with such rules and regulations as the Director (of the National Science Foundation) may establish. (Public Law 507, 81st Cong., May 10, 1950, 64 Stat. 154.)

* * * * * * *

M. Tennessee Valley Authority

16 U.S.C. 831d. Board Authority. * * *

(i) *Aid of other government services; use of any invention or discovery.* * * * (A)ny invention or discovery made by virture of and incidental to such service by an employee of the Government of the United States serving under this section, or by any employee of the Corporation (Tennessee Valley Authority), together with any patents which may be granted thereon, shall be the sole and exclusive property of the Corporation, which is authorized to grant such licenses thereunder as shall be authorized by the board: *Provided further*, That the board may pay to such inventor such sum from the income from sale of licenses as it may deem proper. * * * (May 18, 1933, ch. 32, 48 Stat. 61.)

* * * * * * *

XXVIII. INFRINGEMENT OF PATENTS

A. Limitations on Liability of United States

28 U.S.C. 1498. Patent and copyright cases. (a) Whenever an invention described in and covered by a patent of the United States is used or manufactured by or for the United States without license of the owner thereof or lawful right to use or manufacture the same, the owner's remedy shall be by action against the United States in the Court of Claims for the recovery of his reasonable and entire compensation for such use and manufacture.

For the purposes of this section, the use or manufacture of an invention described in and covered by a patent of the United States by a contractor, a subcontractor, or any person, firm, or corporation for the Government and

with the authorization or consent of the Government, shall be construed as use or manufacture for the United States.

The court shall not award compensation under this section if the claim is based on the use or manufacture by or for the United States of any article owned, leased, used by, or in the possession of the United States prior to July 1, 1918.

A Government employee shall have the right to bring suit against the Government under this section except where he was in a position to order, influence, or induce use of the invention by the Government. This section shall not confer a right of action on any patentee or any assignee of such patentee with respect to any invention discovered or invented by a person while in the employment or service of the United States, where the invention was related to the official functions of the employee, in cases in which such functions included research and development, or in the making of which Government time, materials or facilities were used. * * *

(c) The provisions of this section shall not apply to any claim arising in a foreign country. * * * (June 25, 1958, ch. 646, 62 Stat. 941; amended May 24, 1949, ch. 139, 81st Cong., 63 Stat. 102; amended Public Law 248, 82d Cong., Oct. 31, 1951, 65 Stat. 727; amended Public Law 582, 82d Cong., July 17, 1952, 66 Stat. 757.)

16 U.S.C. 831r. Access to Patent Office for study of fixed nitrogen production formulae, etc. The Corporation (Tennessee Valley Authority), as an instrumentality and agency of the Government of the United States for the purpose of executing its constitutional powers, shall have access to the Patent Office of the United States for the purpose of studying, ascertaining, and copying all methods, formulae, and scientific information (not including access to pending applications for patents) necessary to enable the Corporation to use and employ the most efficacious and economical process for the protection of fixed nitrogen, or any essential ingredient of fertilizer, or any method of improving and cheapening the production of hydroelectric power, and any owner of a patent whose patent rights may have been thus in any way copied, used, infringed, or employed by the exercise of this authority by the Corporation shall have as the exclusive remedy a cause of action against the Corporation to be instituted and prosecuted on the equity side of the appropriate district court of the United States, for the recovery of reasonable compensation for such infringement. The Commissioner of Patents shll furnish to the Corporation, at its request and without payment of fees, copies of documents on file in his office: *Provided*, That the benefits of this section shall not apply to any art, machine, method of manufacture, or composition of matter, discovered or invented by such employee during the time of his employment or service with the Corporation or with the Government of the United States. (May 18, 1933, ch. 32, 48 Stat. 68.)

22 U.S.C. 2356. Patents and technical information. (a) Whenever, in connection with the furnishing of assistance under this chapter (ch. 32—Foreign Assistance)—

(1) an invention or discovery covered by a patent issued by the United States Government is practiced within the United States without the authorization of the owner, or

(2) information, which (A) protected by law, and (B) held by the United States Government subject to restrictions imposed by the owner, is disclosed by the United States Government or any of its officers, employees, or agents in violation of such restrictions,

the exclusive remedy of the owner, except as provided in subsection (b) of this section, is to sue the United States Government for reasonable and entire compensation for such practice or disclosure in the district court of the United States for the district in which such owner is a resident, or in the Court of Claims, within six years after the cause of action arises. * * *

(c) Funds appropriated pursuant to this chapter shall not be expended by the United States Government for the acquisition of any drug product or pharmaceutical product manufactured outside the United States if the manufacture of such drug product or pharmaceutical product in the United States would involve the use of, or be covered by, an unexpired patent of the United States which has not previously been held invalid by an unappealed or unappealable judgment or decree of a court of competent jurisdiction unless such manufacture is expressly authorized by the owner of such patent. (Public Law 87–195, Sept. 4, 1961, 75 Stat. 440.)

42 U.S.C. 2223. **Patent application disclosures.** In the event that the Commission communicates to any nation any Restricted Data based on any patent application not belonging to the United States, just compensation shall be paid by the United States to the owner of the patent application. The Commission shall determine such compensation. If the compensation so determined is unsatisfactory to the person entitled thereto, such person shall be paid 75 per centum of the amount so determined, and shall be entitled to sue the United States in the Court of Claims or in any district court of the United States for the district in which such claimant is a resident in a manner provided by section 1346 of Title 28 to recover such further sum as added to such 75 per centum will constitute just compensation. (Public Law 703, 83d Cong., Aug. 30, 1954, 68 Stat. 953.)

NOTE.—For construction of "Commission", see the note preceding 42 U.S.C. 2014, *supra*, p. 68.

44 U.S.C. 2113. **Limitation on liability.** When letters and other intellectual productions (exclusive of patented material, published works under copyright protection, and unpublished material for which copyright registration has been made) come into the custody or possession of the Administrator of General Services, the United States or its agents are not liable for infringement of copyright or analogous rights arising out of use of the materials for display, inspection, research, reproduction, or other purposes. (Public Law 90–620, Oct. 22, 1968, 82 Stat. 1291; amended Public Law 94–553, October 19, 1976, 90 Stat. 2599.)

NOTE.—Based on 44 U.S. Code, 1964, ed. § 400 ("Federal Records Act of 1950," 81st Cong., Sept. 5, 1950, 64 Stat. 589.)

* * * * * * *

B. RESTRICTIONS ON IMPORTATION; UNFAIR PRACTICES

19 U.S.C. 1337. Unfair practices in import trade. *(a) Unfair methods of competition declared unlawful.* Unfair methods of competition and unfair acts in the importation of articles into the United States, or in their sale by the owner, importer, consignee, or agent of either, the effect or tendency of which is to destroy or substantially injure an industry, efficiently and economically operated, in the United States, or to prevent the establishment of such an industry, or to restrain or monopolize trade and commerce in the United States, are declared unlawful, and when found by the (United States International Trade) Commission to exist shall be dealt with, in addition to any other provisions of law, as provided in this section. * * *

(i) *Importation by or for United States.* Any exclusion from entry or order under subsection (d), (e), or (f) of this section, in cases based on claims of United States letters patent, shall not apply to any articles imported by and for the use of the United States or imported for, and to be used for, the United States with the authorization or consent of the Government. Whenever any article would have been excluded from entry or would not have been entered pursuant to the provisions of such subsections but for the operation of this subsection, a patent owner adversely affected shall be entitled to reasonable and entire compensation in an action before the Court of Claims pursuant to the procedures of section 1498 of Title 28. (June 17, 1930, ch. 497, 46 Stat. 703; Amended Public Law 93–618, January 3, 1975, 88 Stat. 2053.)

19 U.S.C. 1337a. Importation of products made, etc. under process covered by United States patent. The importation for use, sale, or exchange of a product made, produced, processed, or mined under or by means of a process covered by the claims of any unexpired valid United States letters patent, shall have the same status for the purposes of section 1337 of this title (Title 19.—Customs Duties) as the importation of any product or article covered by the claims of any unexpired valid United States letters patent. (July 2, 1940, ch. 515, 54 Stat. 724.)

* * * * * * *

XXIX. REMEDIES FOR INFRINGEMENT OF PATENT AND OTHER ACTIONS

A. Federal District Courts—Jurisdiction, Venue and Service of Process

28 U.S.C. 1338. **Patents, plant variety protection, copyrights, trade-marks, and unfair competition.** (a) The district courts shall have original jurisdiction of any civil action arising under any Act of Congress relating to patents, plant variety protection, copyrights and trade-marks. Such jurisdiction shall be exclusive of the courts of the states in patent, plant variety protection and copyright cases.

(b) The district courts shall have original jurisdiction of any civil action asserting a claim of unfair competition when joined with a substantial and related claim under the copyright, patent, plant variety protection or trade-mark laws. (June 25, 1948, ch. 646, 62 Stat. 931; amended Public Law 91–577, Dec. 24, 1970, 84 Stat. 1559.)

28 U.S.C. 1400. **Patents and copyrights.** * * *

(b) Any civil action for patent infringement may be brought in the judicial district where the defendant resides, or where the defendant has committed acts of infringement and has a regular and established place of business. (June 25, 1948, ch. 646, 62 Stat. 936.)

28 U.S.C. 1694. **Patent infringement action.** In a patent infringement action commenced in a district where the defendant is not a resident but has a regular and established place of business, service of process, summons or subpoena upon such defendant may be made upon his agent or agents conducting such business. (June 25, 1948, ch. 646, 62 Stat. 945.)

* * * * * * *

B. Courts of Appeal—Jurisdiction

28 U.S.C. 1291. **Final decisions of district courts.** The courts of appeals shall have jurisdiction of appeals from all final decisions of the district courts of the United States, the United States District Court for the District of the Canal Zone, the District Court of Guam, and the District Court of the Virgin Islands, except where a direct review may be had in the Supreme Court. (As amended Public Law 248, 82d Cong., October 31, 1951, 65 Stat 726; amended Public Law 85–508, July 7, 1958, 72 Stat. 348.)

28 U.S.C. 1292. **Interlocutory decisions.** (a) The courts of appeals shall have jurisdiction of appeals from:

(1) Interlocutory orders of the district courts of the United States, the United States District Court for the District of the Canal Zone, the District Court of Guam, and the District Court of the Virgin Islands, or of the judges thereof, granting, continuing, modifying, refusing or dissolving injunctions, or refusing to dissolve or modify injunctions, except where a direct review may be had in the Supreme Court; * * *

(4) Judgments in civil actions for patent infringement which are final except for accounting.

(As amended Oct. 31, 1951, 65 Stat. 727; amended Public Law 85–508, July 7, 1958, 72 Stat. 348.)

* * * * * * *

C. Restrictions on Importation—Appeal to Court of Customs and Patent Appeals

28 U.S.C. 1543. **Tariff Commission decisions.** The Court of Customs and Patent Appeals shall have jurisdiction to review, by appeal on questions of law only, the findings of the United States Tariff Commission as to unfair practices in import trade, made under section 1337 of Title 19. (June 25, 1948, ch. 646, 62 Stat. 943.)

Note.—The United States Tariff Commission has been redesignated "United States International Trade Commission." (See 19 U.S.C. 2231, Public Law 93–618, Jan. 3, 1975, 88 Stat. 2009.)

* * * * * * *

D. Documentary Evidence in Patent Cases

28 U.S.C. 1733. Government records and papers; copies. (a) Books or records of account or minutes of proceedings of any department or agency of the United States shall be admissible to prove the act, transaction or ocurrence as a memorandum of which the same were made or kept.

(b) Properly authenticated copies or transcripts of any books, records, papers or documents of any department or agency of the United States shall be admitted in evidence equally with the originals thereof.

(c) This section does not apply to cases, actions, and proceedings to which the Federal Rules of Evidence apply. (June 25, 1948, ch. 646, 62 Stat. 946; amended Public Law 93–595, January 2, 1975, 88 Stat. 1949.)

28 U.S.C. 1741. **Foreign official documents.** An official record or document of a foreign country may be evidenced by a copy, summary, or excerpt authenticated as provided in the Federal Rules of Civil Procedure. (As amended, Public Law 88–619, October 3, 1964, 78 Stat. 996.)

28 U.S.C. 1744. **Copies of Patent Office documents, generally.** Copies of letters patent or of any records, books, papers, or drawings belonging to the Patent Office and relating to patents, authenticated under the seal of the Patent Office and certified by the Commissioner of Patents, or by another officer of the Patent Office authorized to do so by the Commissioner, shall be admissible in evidence with the same effect as the originals.

Any person making application and paying the required fee may obtain such certified copies. (June 25, 1948, ch. 646, 62 Stat. 948; amended May 24, 1949, 63 Stat. 103.)

28 U.S.C. 1745. **Copies of foreign patent documents.** Copies of specifications and drawings of foreign letters patent, or applications for foreign letters patent, and copies of excerpts of the official journals and other official publications of foreign patent offices belonging to the United States Patent Office, certified in the manner provided by section 1744 of this title are prima facie evidence of their contents and of the dates indicated on their face. (As amended, Public Law 88–619, Oct. 3, 1964, 78 Stat. 996.)

28 U.S.C. 1781. **Transmittal of letter rogatory or request.** (a) The Department of State has power, directly, or through suitable channels—

(1) to receive a letter rogatory issued, or request made, by a foreign or international tribunal, to transmit it to the tribunal, officer, or agency in the United States to whom it is addressed, and to receive and return it after execution; and

(2) to receive a letter rogatory issued, or request made, by a tribunal in the United States, to transmit it to the foreign or international tribunal, officer, or agency to whom it is addressed, and to receive and return it after execution.

(b) This section does not preclude—

(1) the transmittal of a letter rogatory or request directly from a foreign or international tribunal to the tribunal, officer, or agency in the United States to whom it is addressed and its return in the same manner; or

(2) the transmittal of a letter rogatory or request directly from a tribunal in the United States to the foreign or international tribunal, officer, or agency to whom it is addressed and its return in the same manner.

(As amended Public Law 88–619, Oct. 3, 1964, 78 Stat. 996.)

NOTE.—See also the *Convention on the Taking of Evidence Abroad in Civil or Commercial Matters*, done at the Hague on March 18, 1970 (TIAS 7444, 23 UST 2555), entered into force for the United States on Oct. 7, 1972. For current information about other parties to this convention, reference may be had to "Treaties in Force", a list of treaties and other international agreements, compiled annually by the Department of State.

* * * * * * *

XXX. TREATMENT OF PATENTS UNDER THE FEDERAL INCOME TAX

26 U.S.C. 186. **Recoveries of damages** * * * (a) *Allowance of deduction*.—If a compensatory amount which is included in gross income is received or accrued during the taxable year for a compensable injury, there shall be allowed as a deduction for the taxable year an amount equal to the lesser of—

(1) the amount of such compensatory amount, or

(2) the amount of the unrecovered losses sustained as a result of such compensable injury.

(b) *Compensable injury*.—For purposes of this section, the term "compensable injury" means—

(1) injuries sustained as a result of an infringement of a patent issued by the United States. * * *

(Public Law 91–172, Dec. 30, 1969, 83 Stat. 711.)

26 U.S.C. 861. Income from sources within the United States. (a) *Gross income from sources within United States*.—The following items of gross income shall be treated as income from sources within the United States: * * *

(4) *Rentals and Royalties*.—Rentals or royalties from property located in the United States or from any interest in such property, including rentals or royalties for the use of or for the privilege of using in the United States patents, copyrights, secret processes and formulas, good will, trade-marks, trade brands, franchises, and other like property.

* * *

(Aug. 16, 1954, 68A Stat. 275.)

26 U.S.C. 862. Income from sources without the United States. (a) *Gross income from sources without United States*.—The following items of gross income shall be treated as income from sources without the United States: * * *

(4) rentals or royalties from property located without the United States or from any interst in such property, including rentals or royalties for the use of or for the privilege of using without the United States patents, copyrights, secret processes and formulas, good will, trade-marks, trade brands, frnachises, and other like properties;

* * *

(Aug. 16, 1954, 68A Stat. 276.)

26 U.S.C. 871. Tax on nonresident alien individuals. (a) *Income not connected with United States business—30 percent tax.*

(1) Income other than capital gains.—There is hereby imposed for each taxable year a tax of 30 percent of the amount received from sources within the United States by a nonresident alien individual as— * * *

(D) gains from the sale or exchange after October 4, 1966, of patents, copyrights, secret processes and formulas, good will, trademarks, trade brands, franchises, and other like property, or of any interest in any such property, to the extent such gains are from payments which are contingent on the productivity, use, or disposition of the property or interest sold or exchanged, or from payments which are treated as being so contingent under subsection (e),

but only to the extent the amount so received is not effectively connected with the conduct of a trade or business within the United States.

(As amended, Public Law 89–809, Nov. 13, 1966, 80 Stat. 1547.)

26 U.S.C. 881. Tax on income of foreign corporations not con-

nected with United States business. (a) *Imposition of tax.*—There is hereby imposed for each taxable year a tax of 30 percent of the amount received from sources within the United States by a foreign corporation as— * * *

(4) gains from the sale or exchange after October 4, 1966, of patents, copyrights, secret processes and formulas, good will, trademarks, trade brands, franchises, and other like property, or of any interest in any such property, to the extent such gains are from payments which are contingent on the productivity, use, or disposition of the property or interest sold or exchanged or from payments which are treated as being so contingent under section 871(e),

but only to the extent the amount so received is not effectively connected with the conduct of a trade or business within the United States. * * * (As amended, Public Law 89–809, Nov. 13, 1966, 80 Stat. 1555.)

26 U.S.C. 1235. Sale or exchange of patents. (a) *General.*—A transfer (other than by gift, inheritance, or devise) of property consisting of all substantial rights to a patent, or an undivided interest therein which includes a part of all such rights, by any holder shall be considered the sale or exchange of a capital asset held for more than 1 year, regardless of whether or not payments in consideration of such transfer are—

(1) payable periodically over a period generally coterminous with the transferee's use of the patent, or

(2) contingent on the productivity, use, or disposition of the property transferred.

(b) *"Holder" defined.*—For purposes of this section, the term "holder" means—

(1) any individual whose efforts created such property, or

(2) any other individual who has acquired his interest in such property in exchange for consideration in money or money's worth paid to such creator prior to actual reduction to practice of the invention covered by the patent, if such individual is neither—

(A) the employer of such creator, nor

(B) related to such creator (within the meaning of subsection (d)).

(c) *Effective date.*—This section shall be applicable with regard to any amounts received, or payments made, pursuant to a transfer described in subsection (a) in any taxable year to which this subtitle applies, regardless of the taxable year in which such transfer occurred.

(d) *Related persons.*—Subsection (a) shall not apply to any transfer, directly or indirectly, between persons specified within any one of the paragraphs of section 267(b); except that, in applying section 267(b) and (c) for purposes of this section—

(1) the phrase "25 percent or more" shall be substituted for the phrase "more than 50 percent" each place it appears in section 267(b), and

(2) paragraph (4) of section 267(c) shall be treated as providing that the family of an individual shall include only his spouse, ancestors, and lineal descendants.

(e) *Cross reference.*—

For special rule relating to nonresident aliens, see section 871(a).

(Aug. 16, 1954, 68A Stat. 329; amended Public Law 85–866, Sept. 2, 1958, 72 Stat. 1644; Public Law 94–455, October 4, 1976, 90 Stat. 1732.)

26 U.S.C. 1249. Gain from certain sales or exchanges of patents, etc., to foreign corporations. (a) *General rule.*—Gain from the sale or exchange after December 31, 1962, of a patent, an invention, model, or design (whether or not patented), a copyright, secret formula or process, or any other similar property right to any foreign corporation by any United States person (as defined in section 7701(a) (30)) which controls such foreign corporation shall, if such gain would (but for the provisions of this subsection) be ordinary income, be considered as ordinary income.

(b) *Control.*—For purposes of subsection (a), control means with respect to any foreign corporation, the ownership, directly or indirectly, of stock possessing more than 50 percent of the total combined voting power of all classes of stock entitled to vote. For purposes of this subsection, the rules for determining ownership of stock prescribed by section 958 shall apply. (Public Law 87–834, Oct. 16, 1962, 76 Stat. 1945; Public Law 89–809, Nov. 13, 1966, 80 Stat. 1563; amended Public Law 94–455, October 4, 1976, 90 Stat. 1793.)

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XXXI. MISCELLANEOUS

A. International

22 U.S.C. 269f. International Bureau of Intellectual Property; appropriation. There is authorized to be appropriated to the Department of State * * *

(b) Such sums as may be required for the payment by the United States of its proportionate share of the expenses of said international bureau as determined under article 16(4) of the Paris Convention for the Protection of Industrial Property, as revised, except that in no event shall the payment for any year exceed 4.5 per centum of all expenses of the bureau apportioned among countries for that year. (Joint Resolution, July 12, 1960, Public Law 86–614, 74 Stat. 381; amended by Joint Resolution, October 20, 1972, Public Law 92–511, 86 Stat. 918.)

19 U.S.C. 2435. Commercial agreements. (a) *Presidential authority.* Subject to the provisions of subsections (b) and (c) of this section, the President may authorize the entry into force of bilateral commercial agreements providing nondiscriminatory treatment to the products of countries heretofore denied such treatment whenever he determines that such

agreements with such countries will promote the purposes of this chapter (ch. 12—Trade Act of 1974) and are in the national interest.

(b) *Terms of agreements*. Any such bilateral commercial agreement shall— * * *

(4) if the other party to the bilateral agreement is not a party to the Paris convention for the Protection of Industrial Property, provide rights for United States nationals with respect to patents and trademarks in such country not less than the rights specified in such convention; * * *

(Public Law 93–618, Jan. 3, 1975; 88 Stat. 2061.)

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B. Trademarks

Sections 15 U.S.C. 1051, *et seq*. (chapter 22) comprise the "Trademark Act of 1946, as amended", providing for the registration of trademarks (including service marks, and certification and collective marks) in the Patent and Trademark Office. The text of the Act, as amended, together with the Trademark Rules of Practice, may be purchased from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

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